THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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BUSINESS TAKES SANER VIEW OF CROP PROSPECTS

Even at Present Estimate 1924 Wheat Yield Will be Normal

EUROPE BRIGHTENING

Motor and Fishing Industries Are Making Progress—Fewer Failures—Prices Are Up

A very significant factor in the influence of the crop conditions and outlook upon business in general is that a series of disappointing crop reports have brought the business community to a saner view as to what sort of harvest to expect. Business, accordingly, is adjusting its plans to a wheat yield somewhat in the neighborhood of 300,000,000 bushels at an aggregate value close to that of last year. Earlier hopes and forecasts disregarded the fact that last year's yield, and probably also that of 1922, were abnormally large. We cannot hope to add 87,000,000 bushels to our annual output every year as we did, on the average, for the last two years. Yet this is what we formed the habit of expecting. The present estimate is at least as great as the average for the past six years, even including last year's bumper crop. In other words, the yield will be at least nomal. This refutes the views which are even now being expressed by a section of the press, particularly in the United States, which refers to the situation in terms such as "the Canadian grain disaster." Such a term is distincly misleading. As it is, the farmer will have a larger margin of profit out of this crop even at the present estimate than from last, a situation which is of greater value to business as a whole than a bumper crop at low prices. Last year the average price received by the Canadian farmer for wheat was 67 cents per bushel. This left the farmer an extremely small margin of profit, and, even with a bumper yield, the agricultural section of the community was unable to better itself materially. With a gain so far of nearly 40 cents per bushel there is a chance for the farmer to get back on his feet.

The European Situation

If the European situation should prove to be as favorable as the security and exchange markets seem to indicate, there can be no doubt but that world affairs are due for a vast improvement. A stabilization of Europe, such as the Dawes plan contemplates, would be of inestimable importance as an incentive to Canadian business as well as that of other countries. Revival of business and industry in Europe would mean increased purchasing power over a large area, and this would involve a large increase in demand for Canadian and American raw materials and foods, a situation which could not but bring with it general commercial and industrial improvement in Canada.

While the much needed incentive of European recovery is decidedly a possibility, there is a feeling on the part of a large and responsible section of the community that more than conferences are necessary to accomplish the economic recovery of so large a section of the world. It is felt that even with the most singular success of the conference, a long period would elapse before Europe's recovery was an actual fact.

General Trade Conditions

In the main, retail and wholesale business conditions are as they have been for some weeks. A slight strengthening has taken place in wholesale prices. The wholesale price index prepared by the Dominion Bureau of Statistics rose from 152.2 in June to 153.3 in July. This was due to a rise in the price of 47 commodities out of 236 studied. It is yet too early to tell whether or not this

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Canadian Conditions

Car Loadings—Week ending Aug. 2—

1924	1923
48,938	51,492— 4.9%

—Year to date—

1924	1923
1,653,844	1,541,519+ 7.3%

Building—Six Months—

1924	1923
$51,567,519	$62,581,842—17.5%

Bank Clearings—Seven months—

1924	1923
$8,837,193,771	$8,657,375,224+ 0.2%

Grain Movement—Receipts to date—

1923	1922 crop
472,705,804	315,948,970+36.9%

Savings Deposits—Chart. Banks, June

1924	1923
$1,189,018,091	$1,214,245,872— 2.1%

Current Loans—By Banks, June

1924	1923
$986,366,366	$1,065,854,729— 7.5%

Net Dominion Debt—

1924	1923
$2,389,912,241	$2,409,001,572— 0.8%

Railway Earnings—Six Months—

	1924	1923
C.P.R.	$ 96,152,000	$ 93,069,000+ 3.3%
C.N.R.	134,849,228	136,732,873— 0.8%

Balance of Trade—12 months, June—

	1924	1923
Exp.	$1,062,243,790	$981,984,851+ 8.1%
Imp.	854,944,878	864,172,897— 1.0%
Bal.	207,298,912	117,811,954+75.9%

Mr. Robb May Float a Three-Cornered Loan

There is now more than a possibility that Hon. Mr. Robb will make his forthcoming federal loan a three-cornered one—divided between London, New York and the domestic markets. Such a loan at rates to compare with pre-war levels would provide Canada with a wonderful world-wide advertisement of financial stability.

The new development in the situation is the improvement in sterling exchange which would make London a possibility and the fact that Mr. Robb is now in England leads to the view that a portion of the desired capital may be secured there. The New York market is, of course, very favorable while it is believed that Canadian holders will probably be given an opportunity to re-invest in government bonds on the basis of the prevailing interest rate.

SUFFICIENT RAIN HAS NOW FALLEN THROUGHOUT WEST

Possibility of Frost Damage Remote and Rust Danger is Limited

By E. CORA HIND.
Commercial Editor, Manitoba Free Press.

MOOSE JAW.—Since the 4th of August the writer has motored some 1,100 miles through the province of Saskatchewan, making first for the territories that were reported as having suffered permanent damage from the drouth. The trip covered a very large area in what might be termed the north central portion of the province, as it began at the west boundary of Manitoba and proceeded straight west to Wapella; north to the Quappelle Valley; through that valley to Esterhazy; north and west on that line to Earl Grey; south to Craven in the Lumsden Valley; south and west to Lumsden; then once more north and west to Bladworth; west to Hawarden, Poultlook and Minden; north and west to Rosetown, and west on the Saskatoon to Calgary line of the Canadian National Railway to Alaska; south to Empress in Alberta, then east and south along the Empress branch to Swift Current.

In all of this territory very considerable acreages had been ploughed down, and many large areas will only produce feed. Many crops, however, that had seemed hopeless before the rains came, had revived materially. While short in both straw and head, they were filled with good plump wheat, and, if cut with headers,, the shortest fields will yield a considerable return.

In nearly all the sections covered, much of the crop is very late, but in the district from Empress east to Leader, and Prelate, headers are already at work on the wheat. In all the districts mentioned, much rye and a little barley has been cut. Oats have suffered more severely than wheat, and in the territory mentioned are almost universally a bad crop, though the rains have produced so heavy a second growth that these fields will yield a very large amount of feed which will be very valuable, as the hay crop is short, and there are large numbers of stock through all these districts.

(Continued on page 16)

DEPT. OF NATIONAL REVENUE PLANNED

Customs and Excise Branches Consolidated—Better Advice on the Tariff

From Our Own Correspondent.

OTTAWA.—By order in council the income tax branch has finally been merged with the customs and excise department. Some other consolidating will take place and it is understood that the latter will finally be known as the Department of National Revenue. It is expected that considerable money will be saved through the consolidation. Any collections still to be made on account of the business profits tax will also be made by this department. This consolidation meets with the hearty approval of those who understand the situation here, and it is felt that if more were done, not only would money be saved, but efficiency would be promoted.

The Finance Minister will strengthen his advisory staff on matters relating to the tariff. Hitherto, such advice as he has received has come pretty much from one official. It is felt that one person, however, well informed he may be, has not the information necessary to do justice to the demands of the varied industrial life of the country. While it is improbable that there will be a drastic revision of the tariff during the lifetime of this government, it is thought that further adjustments will have to be made. For this reason it is felt that the minister should have the best advice available on tariff matters. The proposal for the creation of a tariff commission does not find favor, the government being of the opinion that tariff changes of importance involve decisions on questions of policy for which it alone must take the responsibility.

SOVIET MISSION HAS NOT MONEY TO SPEND HERE

Government Justified in Seizing Objectionable Literature

From Our Own Correspondent.

OTTAWA.—That the information contained in THE FINANCIAL POST about the seizing of the "red" literature addressed to the Soviet Mission in Canada was accurate in every respect, is evident from the recent action of the government, which has decided to keep that portion of it that derides Christianity. The text books, being harmless, are returned to the mission.

The head of the mission was recently here and talked over matters with the government, during the course of which conversations he was told what would be done about the literature. The latest excuse for the presence of the objectionable material was that it was merely used for packing. Well, it was considered too inflammable to be allowed to lie around.

The signing of the recent treaty between Great Britain and the Soviet government is, as yet, of little importance to Canada. There is no assurance that it will benefit this country in a trade sense, unless Great Britain comes through with a substantial loan, which just now seems to be questionable because of the opposition aroused in London. The members of the mission to this country have no money for trade, and are unlikely to have any unless it is obtained in Britain.

The truth is that Canada has already participated in any trade revival that the come-back of Russia was likely to produce. While trade with that portion of Russia subject to the Soviets has been at a very low ebb, that with such states as Finland, Poland, Lithuania, Esthonia and Latvia which formed part of the old Russian Empire, has increased very materially during the last few years, for in them, private property being respected, traders can afford to take a chance.

If the Soviet government could get the money to trade with, it probably would buy some agricultural machinery from Canada; but it is useless to talk about this until the Soviets' ship comes home, and as yet there is not the least tidings of her.

Success of Dawes Plan Means Much to Canada

From Our Own Correspondent.

MONTREAL.—Investors have a direct interest in the present negotiations in Europe, looking to the adoption of the Dawes scheme as the basis for settlement of European troubles.

Settlement of the present difficulties should enlarge the German market for iron ore from the British Empire Steel Corporation. By re-aligning currencies it would cut off much of the present importations of Belgian steel into Canada, which affects Canadian steel companies, including Besco.

The milling companies would likely benefit by getting back larger European markets.

The paper mills would be distinctly gainers, especially those making wrapping papers. Scandinavian wrapping paper and pulp are being dumped on world markets because Europe cannot buy. Were Europe able to buy, the Scandinavian mills would go back to their logical markets in Europe, leaving the American and other markets for Canadian mills.

These are only a few examples of benefits that will accrue to Canadian industries when Europe finds economic peace.

JULY GOLD OUTPUT $2,125,000

Gold production in Northern Ontario in July was $2,125,000 or at the rate of $25,000,000 yearly. Nine mines contributed to the output.

Story of Manitoba Crops Reads Like Results From Farms of Old Ontario

Not only are there prospects for a big wheat crop this year in Manitoba, despite the rust scare, but, what is perhaps more important, there are other crops, which, in some districts at least, insure reasonable prosperity in any event. The following is from a letter written from the Deloraine district to A. B. Fisher, manager of the Central Loan and Savings Co., and president of the Dominion Mortgage and Investments Association; it reads as though it were describing a rich farming area in Ontario rather than on the "wheat-growing" prairies:

At the present time we have the brightest prospects we have had for years. Some are trying to start the rust scare, but so far there is very little indication, and with continued cool weather I think we are quite safe. Even if the rust does hit us we have so much barley, oats, flax, durum wheat, sweet clover and corn that the farmers have considerable to fall back on which is a change from the past, and has been brought about a great deal by our District Builders' Movement.

I enclose herein a picture of a 60-acre field of sweet clover that I took about two weeks ago, two miles southwest of town, also the farm buildings on the same farm. This should convince that we are beginning to adopt a better system of agriculture. This farmer used to be a big wheat farmer, and now he says that on his land every acre of summerfallow must be sown with sweet clover the year previous.

Mixed farming in the Deloraine district is the result of effective educational work. This spring the town council was persuaded to make an appropriation to hold an agricultural conference to talk over the situation which was very blue. Sixteen of the farmers, who attended, announced their determination of throwing up the sponge and moving out. All were induced to stay and to try mixed farming. Now the prospects are that one crop will put them on their feet again. That is evidence of what mixed farming will do for the West.

What is the Real Situation In British Empire Steel?

A Line-Up of the Strong Points and Weak Points in Canada's Biggest Industrial Investment — Tariff Troubles—New Interests to Come In?

From Our Own Correspondent.

MONTREAL—More optimistic reports about British Empire Steel Corporation came out this week, and the statement was made that the company should be able to book some substantial business in the next few weeks, and for that reason be able to open up for business before the expiry of the 90 days of complete shutdown that began a few days ago. The impression left by this statement is misleading. There is hardly any likelihood of the Besco plants opening up for full operations in the near future. Some of the finishing plants, where steel ingots are turned into merchantable products, may be opened up, but it was not intended from the start that the finishing mills should be included in the ninety-day tie-up.

Besco has followed a somewhat different policy this year than other steel mills in Canada. For the first seven months of the year, operations were carried on at almost one hundred per cent. of capacity in the steel mills. This, of course, with the exception of the period of the strike in February. As a result, a good deal of pig iron and steel was manufactured that could not be sold or turned into finished goods. The plants were run on this basis in order to keep down costs as much as possible, and the seven months of broad operations are being followed now by ninety days of complete cessation of operations in the pig iron and steel-making departments. The company has some orders on hand, and expects further orders which will keep the finishing plants at work utilizing steel now on hand.

Other Plants Had Another Plan

At other steel plants, operations have been conducted on a smaller scale, and, therefore, there has not been any need for a tie-up. Each policy has advantages, it is pointed out. Besco chose to run at capacity and then close down completely. In the interval, repairs are being executed to the properties, and furnaces are being relined.

In the seven months Besco was running it produced more pig iron and steel than in the same period of 1923. Production of pig iron for the period amounted to 159,457 tons, as against 140,567 tons, and production of steel ingots amounted to 171,803 tons, as against 160,925 tons for the period from January to July in 1923.

Even if the plants should run at full blast for the last two months of 1924, as is hoped, the total production is certain to be much less than the total production for the twelve months of 1923, when 277,681 tons of pig iron, and 297,988 tons of steel ingots were produced in the various plants of British Empire Steel Corporation.

Coal production is likely to show some decline as well. Production of iron ore in Newfoundland is likely to be up as a result of resumed German shipments.

Production Holds Up Well

On the whole, though, the present production—as shown by figures of the past year or two—compares not unfavorably with production of the combined production before and during the war of the companies that now make up Besco. Production is smaller, but the decline is not so marked as the decline in profits. This is decidedly interesting, for it seems at first glance to prove the case of those who claim that the merger of the steel and coal interests of Nova Scotia has proven a dismal failure.

Below are given the figures of British Empire Steel production in the four "key" departments, and the combined production before the merger of the individual companies:

Pig Iron Production
(Capacity 500,000 Tons)

	Tons
1913	410,000
1914	210,000
1915	410,000
1916	430,000
1917	420,000
1918	400,000
1919	220,000
1920	280,000
1921	......
1922	120,000
1923	280,000

Figures from 1914 to 1920 show combined production of Dominion Iron and

(Continued on page 15)

HAS CONTROL OF N. C. POWER

It is reported that E. R. Wood, Dominion Securities, who represents Northern Canada bond holders in the power deal negotiations with Chicago and Hollinger interests, has secured an option on Northern Canada power plants. It is believed this will expedite the conclusion of negotiations.

LOWER COTTON WILL HELP TEXTILE MILLS

More Satisfactory Outlook for Stocks of the Cotton Goods Companies

From Our Own Correspondent.

MONTREAL. — Word from the southern United States is that the cotton crop will be considerably in excess of that of a year ago, and buyers for the textile mills look for lower prices for the product.

Lower cotton prices should have a direct effect in strengthening the position of Canadian textile mills. The Canadian mills have been in the same boat as all the other textile mills in the world, in that the high price of their basic raw material has caused abnormally high prices for the finished articles, and hence has restricted buying. Cotton textile prices have been well out of line with the general price trend, and the mills have had to curtail their output as a result. With the expectation of lower prices for raw materials, there is a likelihood of lower selling prices for cotton goods, and buying should be stimulated.

The Canadian mills have not suffered to as great a degree as mills in most foreign countries, because the textile industry in Canada is not over-built to the same degree as mills in many other countries, including the United States.

Dominion Textile is understood to be running at a fairly satisfactory pace. Wabasso Cottons was to bring out its annual statement this week, and this, it was forecast, would prove quite satisfactory. Wabasso makes a high grade of cotton goods and has found that its sales have held up remarkably well throughout the buying depression in cotton textiles.

Soviet Causing Trouble in the Sudan To Assist Russian Cotton Industry

The activities of Soviet agents in Canada have recently been noted in the St. Catharines district. Red propaganda circulars have been mailed from the Thorold post office in large numbers, according to the St. Catharines Standard. One leaflet makes an attack on capitalism, and lauds the Soviet to the skies as the only equitable system of government in the world. Here is an excerpt showing the nature of the stuff:

> Men and women of the working class! Shall we again allow ourselves to be dragged into British wars to defend the interests of the British capitalists in Mosul? Shall we help the British Imperialist collect taxes for his puppet ruler in Mesopotamia by bombing villages and killing men and women? Shall we help maintain the British forces of occupation in the Sudan against the expressed wishes of the Egyptian masses, because the Sudan is a potential rich cotton field for British capital?
>
> Down with Capitalism and Imperialism!
>
> Forward to the Victorious Workers' Revolution!
>
> Down with Bourgeois Democracy and Social Treachery!
>
> Forward to Communism!
>
> Forward to the International Socialist Soviet Republic!
>
> Issued by the Executive Committee of the Communist Party of Canada.

The Standard quite properly raises the question as to whether the authorities are not lax in permitting such literature to be distributed through the mails.

THE FINANCIAL POST has frequently drawn attention to the fact the this Soviet propaganda is most purposeful in its efforts to undermine production in countries which are present or prospective competitors of Russia in world markets.

The reference to British enterprise in the Sudan, in the circular quoted above, is particularly significant in view of another circular which has just been received by THE POST from the official agent of the Union of Soviet Socialist Republics, Montreal, enlarging on the "Cotton-Growing Possibilities in Soviet Russia." It is not difficult to establish a connection between the propaganda to undermine the British cotton-growing industry of the Sudan, and the efforts to develop the Soviet plans for cotton-growing in Russia.

THE CROW'S NEST RATES IN HANDS OF COMMISSION

If There is Discrimination, the Board Must Decide

WHAT IS FAIR RATE?

Taken Into Consideration by Commission — Canadian Rate Lower Than U.S. Railway Rate

From Our Own Correspondent.

OTTAWA.—The complaints respecting disparities in rates created through the return of the Crow's Nest Pass commodity rates have been so numerous that the Railway Commission has announced September 17 as the date for a general hearing of all those who desire to make known their grievances in this respect. It is expected that many communities and public bodies will be represented here on this occasion, for the matters in dispute are very important and affect a large number of interests. The hearing is one of such importance that the death of the commission's chairman, the Hon. Frank Carvell, must be regarded as particularly unfortunate at this time.

There has been complaint about the procedure with respect to the filing of the new rate tariffs, but these seem to rise out of misunderstanding. When a dispute arises between carriers and shippers over rates, there is no other course open but to have the matter out before the Railway Commission. The railways having been advised that the Crow's Nest rates applied only to the Canadian Pacific territory of 1898, they filed their new tariffs on this basis with the commission. Complaint having been made it is for the commission to say whether these tariffs are right or not.

What is Fair Rate?

A very important legal question is involved, and there will also be the further one of what constitutes a reasonable return to the railways for the service they render. It is in this light that the commission always considers the question of rates, and indeed, it has no option in the matter, its decisions having always laid it down that the railways shall get a fair return on their investment. Consideration of this will naturally bring up the matter of operating costs today.

In the United States the Interstate Commerce Commission, which is the counterpart of our own Railway Commission, has recently given an important decision on an application for a reduction of rates on grain, grain products and hay, and dismissed it on the ground that present rates are reasonable. The petitioners asked for a 14 per cent. reduction. The refusal of the commission to entertain their request is interesting to Canadians in that grain rates in Western Canada are 25 per cent. lower than those in the Western States. This should be good advertising matter for our West.

The conclusions arrived at by the majority report of the commission, insofar as they affect the Western states are as follows:

That rates on grain, grain products, and hay, generally speaking, are on a somewhat lower basis compared with pre-war freight rates than are the car-load rates on other traffic;

That the earnings per car, per car mile and per ton mile on grain and grain products, compared with other classes of traffic and with all car-load traffic, do not show that grain and its products are now contributing more than their fair share to the revenue of the carriers in this group, considering the value of the traffic, the aver-

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UNION BANK OF CANADA

DIVIDEND No. 150

NOTICE is hereby given that a dividend at the rate of 8% per annum upon the Paid-up Capital of the Union Bank of Canada has been declared for the current quarter, and that the same will be payable at its Banking House in the City of Winnipeg, and also at its branches, on and after Tuesday, the second day of September, 1924, to shareholders of record at the close of business on the 16th day of August next.

The Transfer Books will be closed from the 18th to the 30th day of August, both days inclusive.

By Order of the Board.
J. W. HAMILTON,
General Manager.

Winnipeg, July 17th, 1924.

Don't Invest All Your Surplus Funds

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CANADIAN CHEESE IN MEXICAN MARKET

Conditions Which Govern Development of Export Trade From Canada

OTTAWA.—A number of inquiries have recently been received at the offices of the trade commissioner in Mexico city in regard to the possibilities of introducing Canadian cheese into Mexico. The following information is therefore provided for the guidance of prospective exporters, in the hope that it may be of assistance to them in opening a new market, which offers distinct opportunities of a satisfactory trade.

The prices paid by the retailers in Mexico City to the importer for cheese of the character referred to above are from $1.40 to $1.60 Mexican currency per kilo, equal to from 32 to 36¼ cents per pound Canadian currency. The cost of delivery, handling, freight, custom charges and importer's profit between Vera Cruz and Mexico City amounts to about 8 cents Canadian currency, per pound, so that in order to enter the market with fair prospects of success it would be necessary for the Canadian exporter to quote a price of from 24 to 28¼ cents per pound, delivered c.i.f. Vera Cruz. It is possible that a high quality of cheese could obtain a better price, but this can only be ascertained by experience; in any case, no higher price can be expected for the first consignment than that paid for the average grades supplied by competitors.

The Mexican tariff on cheese is ten centavos per legal kilo, plus 12 per cent. surcharge; this is equal to 2½ cents, Canadian currency, per pound, and does not include the 5 per cent. consular fee mentioned above.

Australia to Bonus Primary Industries

MELBOURNE.—For the financial year just closed (June 30) it is estimated that the Commonwealth of Australia's surplus of revenue over expenditure will be between £6,000,000 and £8,000,000, which has mainly been derived from larger customs collections than were expected.

It is anticipated that the surplus will now enable the government to proceed with its declared intention of subsidizing such primary industries as meat and fruit, which are in a very depressed condition owing to the lack of oversea markets. Certain manufacturing industries, which it is claimed are not receiving sufficient protection under the existing customs duties to enable them to compete with importations, are also to receive some measure of assistance.

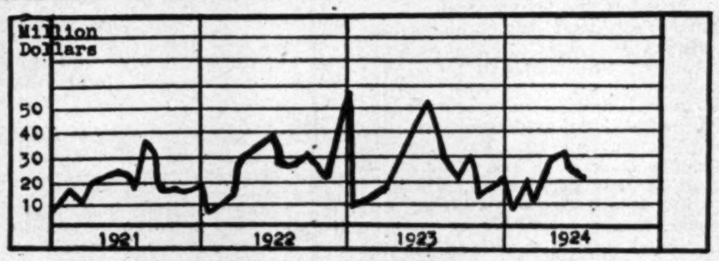
The Business Outlook

BUILDING COSTS AND CONTRACTS AT LOW LEVEL

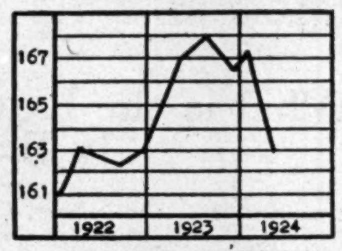
Protracted Decline in Both Makes Outlook Better for Construction

While the figures for building contracts awarded in Canada have been showing a substantial decline, it must not be overlooked that the prices of building materials have declined measurably, and this is part, at least, of the explanation of the lower building figures. Chart 2 shows the extent of the price decline since the beginning of the year, and, in view of this, and of the fact that prices of building materials are now almost as low as they were early in 1922, the outlook for increased building should be better than it has been for some months.

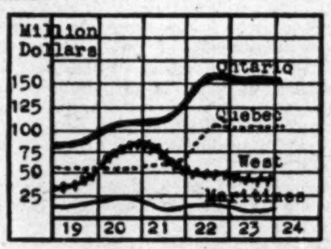
Chart 3 shows what part of the country is responsible for the heavy decline in building figures, and also the expansion that has taken place in the industry during the past six years. The province of Ontario has had the greatest activity as well as the largest increase over previous years since 1922. Quebec came second. Western Canada, presumably, was somewhat over-built during the post-war boom, and construction declined since that time. In the Maritime provinces, building has remained on an even keel virtually ever since the war.



.BUILDING CONTRACTS AWARDED IN CANADA



2. INDEX OF BUILDING PRICES (1913=100)



3. BUILDING BY AREAS (Yearly)

The Financial Post

The figures for contracts awarded in all Canada since the beginning of 1922, according to the MacLean Building Reports, were as follows:

1922	1923	1924
8,392,000	9,840,000	6,538,000
10,718,000	13,311,000	21,249,000
14,465,000	19,954,000	11,584,000
31,428,000	30,843,000	30,199,000
36,827,000	40,697,000	32,967,000
37,620,000	50,674,000	26,185,000
29,694,000	30,842,000	
29,187,000	27,488,000	
32,318,000	23,382,000	
26,270,000	30,078,000	
22,453,000	15,632,000	
52,472,000	21,507,000	

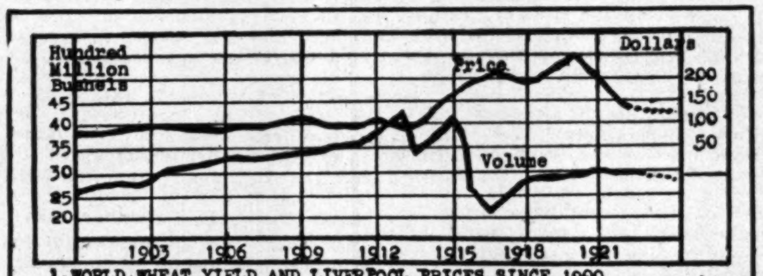
In fact, since the peak of last July. This should be taken into account when studying Chart 1 which shows that building contracts this year have fallen off heavily.

There, however, has been a decrease in actual building as well as in building prices, and this has been taking place practically since the price peak in June of last year. The significant fact is that building was at its peak at approximately the time that prices were highest, and there has been a year of low building activity in the intervening period.

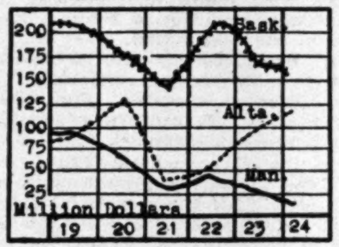
The Wheat Situation

Owing largely to war conditions, the world output of wheat dropped in 1917 to a much lower figure than any since the beginning of the century. With the exception of this drop the yield of all countries is now lower than it has been since 1904, and this year's output will probably be some 300,000,000 bushels lower than that of last year. Under the circumstances one does not have to go far to find the causes for the present strength in prices. Chart 1 shows the effect on prices of the wartime decline in output, and, assuming the same relative movements between volume and prices, one can make a general estimate of where prices are likely to go during the present year. It must be remembered, however, that there is a tendency for the demand to adjust itself to the supply, and for high prices to induce the use of substitutes in many of the European countries. According to present indications, however, the buying power of Great Britain is increasing, and, since Britain is the most important consumer of wheat, prices are likely to depend more than normally upon the supply factor.

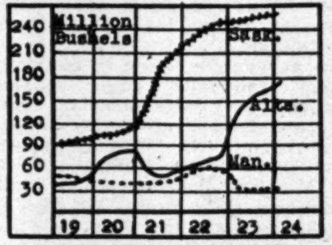
Charts 2 and 3 illustrate the relative productive capacity of the prairie provinces with regard to wheat, and also the value of the crop to each of the provinces. It will be noted that the wheat production of Manitoba has dropped, while that of the other two provinces is expanding rapidly. Saskatchewan, it will be seen, has made the greatest progress.



1. WORLD WHEAT YIELD AND LIVERPOOL PRICES SINCE 1900



2. VALUE OF WESTERN WHEAT



3. VOLUME OF WESTERN WHEAT

The Financial Post

The yearly average price of wheat in Great Britain, and also the world production since the beginning of the century, follow:

1900	2,610,000,000	.82
1905	3,327,000,000	.90
1910	3,575,000,000	.96
1915	4,127,000,000	1.61
1916	2,608,000,000	1.73
1917	2,287,000,000	2.11
1918	2,803,000,000	1.95
1919	2,742,000,000	2.19
1920	2,824,000,000	2.45
1921	3,078,000,000	2.03
1922	3,035,000,000	1.46

1924 FISHING OUTPUT LIKELY TO BE RECORD

Present Rate of Catch is Greatest for Some Years—General Outlook is Much Better

After a period of extremely small profits the progress of the fishing industry in Canada so far this year indicates that 1924 will probably be a better year than any for some time. The value of the output for the first quarter showed an increase of 56 per cent. over the same period last year, and the improvement has been well maintained during later months. The continuation of the present rate of catch would bring the year's total up to the record of 1918, namely, $60,000,000, when prices were considerably higher than is the case at present. The increase has been contributed to by practically all varieties.

The greater proportion of Canada's fish catch is exported. The normal home consumption is only about 20 per cent. of the total. Last fiscal year our fish exports reached a value of $30,547,000, as against $27,557,000 during the previous year. Exports of canned salmon alone increased from $4,489,000 to $7,721,000. The total export figure was exceeded only during the war and post-war years, when the demand for Canadian fish abroad was quite large.

In view of unsatisfactory conditions in the fishing industry of late, even the relatively small improvement which has taken place is unusually welcome. With her spacious fishing grounds on the two coasts, as well as in the lakes and rivers, Canada is remarkably well adapted to produce many times the volume of fish now caught, and there is every opportunity for a large and important fishing industry to develop in the Dominion. This is one of those Canadian industries which are exploited only in an extremely small way.

EUROPEAN ACCORD WILL FACILITATE GENERAL REVIVAL

But Industry Will Recover Only Gradually, and by Hard Work

Judging from the recent action of the security and exchange markets, business in general has taken a very sanguine view of the European outlook. It seems to be the accepted opinion in certain business circles that the apparent success of the London conference is destined to make possible a speedy recovery in central Europe.

The plan of action which was agreed upon by the allied representatives, and accepted by Germany, was largely that advocated in the Dawes report. The centre of the Dawes plan is the financial rehabilitation of Germany. This is to be accomplished through the establishment of a new German bank of issue which will provide a stable currency and enable Germany to collect her taxes in a currency which will not depreciate in value. It will also enable her to balance her budget and contribute to reparations in proportion as she recovers industrially and commercially. The establishment of the bank of issue is to be made possible by the floating abroad of a $200,000,000 loan. In order to provide for current reparations payments, bonds will be issued against German railways and industries. The maximum amount to be collected from each source is stipulated, and a rough estimate is made of the total to be paid from all sources. This removes what is generally recognized as a defect in the Versailles Treaty. Reparations payments are to be made in gold and placed at the new German bank to the credit of the Reparations Commission.

While business generally takes a hopeful view of the outlook, as stated above, there is also a tendency in business circles to "wait and see." It is felt by many that it is easy to over-estimate the importance of conferences. The opinion expressed by one of our prominent business leaders that conferences have their place but that a revival in industry is Europe's primary need, is probably a fairly general view. Undoubtedly the evident success of the London conference up to the present has made recovery possible, but it is generally conceded that this is only a beginning, and that the real recovery of Europe will be a long process, and will come only as a result of hard work and the gradual revival of industry and commerce.

BUSINESS MOVEMENTS SUBJECT OF STUDY

Analysis of Up and Down Swings is of Value to Executives as a Guide

One of the significant subjects discussed by the British Association for the Advancement of Science which met in Toronto this week and last, was the importance of a more accurate study and understanding of the up and down movements in business. Much emphasis is placed by many upon forecasting weather conditions, and whether or not one is convinced of the accuracy of the "probabilities," he usually looks at the forecast to see what the weather prophet thinks is in store. Fluctuations in general business conditions are almost as irregular and uncertain as the weather changes, yet even the far-sighted business man in Canada is only beginning to realize the value of getting the opinion of those who make a study of fundamental business movements. While the study of the business cycle is only in its infancy, much research has already been carried on, and considerable progress has been made in the study of business movements.

Basing its methods on the most advanced principles of the business cycle, THE FINANCIAL POST has carried on its own research in the study of business fluctuations in Canada, and gives to the public a barometer of business movements which will at least enable the sales manager and business executive to make his own study and forecast of general movements. It is, therefore, to the advantage of those in executive positions, as well as students of business, to follow THE FINANCIAL POST business barometer which appears in the first week's issue each month. THE POST will be glad to answere any enquiries with regard to the method of preparation of the barometer, and will give assistance to any of its readers who may wish to chart their own progress on a similar basis, in order to see whether or not their rightful share of business is being obtained.

Decline in Building Forecast in States

There are indications that a decline in the volume of building in the United States is in prospect. Whilst the figures for July show that industry is still at a high level, being only 10 per cent. below the June figures, contemplated new work in July, according to the Dodge Company's estimate, was but 24 per cent. of that under construction, in comparison with a normal proportion of 50 per cent.

The shortage of buildings, which resulted from war conditions, was the occasion of feverish activity in the building trades during the past two years, and there can be no doubt but that the movement was overdone in certain localities at least. Some concessions in rents are already in evidence in New York city, where the building program was at its height, and it would seem that the shortage of buildings has been pretty well taken care of in most localities.

Apart from the natural halt in construction of the ordinary type, there seems to be a rather marked decrease in the contemplated erection of high-class buildings. This is apparently due to a belief in certain quarters that building costs, although near the bottom at present, will go still lower.

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GRAZING IMPROVED

Wheat Harvest Will be General Aug. 20 With Yield Slightly Better Than Half 1923

From Our Own Correspondent.

LETHBRIDGE.—Southern Alberta livestock men are now making preparations for their feeding operations this winter. More cattle and sheep than ever will be fed this season. Feeder cattle are plentiful and thousands of sheep will go to the feeding corrals late this fall. With one of the best alfalfa crops in years, farmers are preparing to put it into cattle and lambs. There is only one cause for concern, and that is the limited stock of screenings that will be available here. In this connection there is a determined campaign being waged for the establishment of a government internal storage elevator with cleaning facilities. With such a plant, this valuable cheap feed would be obtainable by local feeders. As it is, much money is lost annually in bringing in cleaning, on which Southern Alberta farmers have already paid freight on to the terminals.

The livestock industry in Southern Alberta is in a healthy condition and stock will go into the winter in good shape. The range is green again, following general and copious rains, and all kinds of stock are looking sleek and thrifty. Regular shipments of hogs and cattle are leaving the local stockyards for Seattle and Tacoma, the Pacific coast market being now an attractive one for finished stuff. There is a demand for feeder and breeder sheep, as many irrigation farmers are putting small herds on their farms. Dairying is showing steady growth, with good prices for butter fat prevailing. One local dairy has now over 600 shippers, the increase being 300 per cent. the last three years. This is only one indication of the slow transition being made from wheat farming to mixed farming.

Wheat Harvest

The wheat harvest will be general about August 20. Later estimates of the yield on the Lethbridge rail division place the amount at from 18,000,000 to 23,000,000 bushels, slightly over half the total production last year. Continued drought in some sections of the south withered the growing fields, rendering the grain even unfit for feed. Good summerfallow withstood the drought remarkably well, and some bumper yields will be recorded in the area lying south and west of this city. The Champion, Vulcan and Blackie districts will also harvest good crops as will also farmers between Granum and Okotoka. East of Taber and Stirling the crops are practically a total loss. South of Stirling to Coutts and Sweet Grass the crops are good, recent rains filling out the heads. The moisture delayed the cutting a week, but farmers and stockmen are rejoicing, as it will increase the cereal and hay crop, and insure a first-class fall range. Sheep grazing in the mountains are reported to be in good condition. Grazing has been plentiful all summer. The local experimental station is conducting an interesting experiment in summer pasturing in the mountains. After some nine years, the officials are convinced that it is a profitable practice.

British Grain Expert Estimates Wheat Surplus

Some time ago a survey of the world wheat situation was given in these columns, and at that time a shortage was in prospect. The figures quoted were those of Sir James Wilson, an expert on the grain situation particularly as it effects Great Britain. With regard to consumption, the revised report of the same authority places the requirements of fifteen importing countries for the year ending July 31, at 720,000,000 bushels, of which Great Britain will need 224,000,000 bushels. The total quantity available for export by twelve exporting countries is estimated at 1,040,000,000 bushels, as compared with 688,000,000 bushels in 1923. The chief exporting countries are Canada, which is credited with 336,000,000 bushels during 1924; Argentina, with 224,000,000 bushels; the United States, with 192,000,000 bushels. According to the estimate, Russia will have an exportable surplus of 32,000,000 bushels, as against a pre-war surplus of 164,000,000. When one deducts the estimated requirements from the estimated surplus, there is left 320,000,000 bushels on August, as against 160,000,000 bushels on the same date last year. In summing up the situation, Sir James Wilson states that the fall in prices which took place during the period prior to the present rise almost all over the world is, no doubt, due to the increase in the world surplus of exportable wheat.

While accurate figures of acreage were not available when the above estimate was made, and while crop conditions have declined very materially since, the figures are of value for general calculations.

Consular report says Stinnes oil interests are competing strongly with American and British companies in Norway, recently having established first branch at Bergen, using modern steel lighters equipped with pumping facilities.

Alberta Business is Holding Up Quite Well

From Our Own Correspondent.

LETHBRIDGE. —Business generally is keeping up well despite the coal strike. The feeling prevails that the men will be back in the pits by the first of September, which will mean the return of a payroll of half a million dollars. There is considerable building being done. Shelly's Bakery are making a $10,000 addition to their plant. The Canadian Oil and Refinery Company are adding another still, and additional tankage to their North Lethbridge plant. The Ellison Milling Company are building a number of new elevators, and the Diamond Consolidated Mining Company have completed development work, and will be shipping coal in a few weeks. The Meibach Garage, one of the finest in the city, is nearing completion, and plans are out for a new $25,000 home for the Ford agency. Construction work is proceeding on the Kipp extension of the C. P. R. running through the Lethbridge northern irrigation district. This branch will mean the establishment of at least three new towns.

Advises Less Attention to Tariff, More to Cutting Costs

Cost Expert of the Wahl Eversharp Company Tells Some Startling Things Which Can be Accomplished in the Way of Cost Reduction Through Efficient Methods

"Canada First" is the slogan being sounded in the camps of followers of a number of economic and tariff campaigns which are now being carried on by political and other organizations. To take their various policies at their face value, they are all—apart from the radicals—actuated by a laudable desire to better conditions in the country. The difference lies in their methods. There is a new movement, the Prosperity League, which aims to bring better times by raising the present tariff. There is the moderate tariff faction, which includes both those who believe in protection moderated and those who stand for free trade in moderation. And there are some who believe that manufacturers and other business men are paying too much attention to the tariff and not enough attention to getting down their costs of doing business and increasing profits by methods of efficiency.

THE FINANCIAL POST is running a series of three articles — the first by W. R. Morson, on the Prosperity League; the second by Randolph K. Jones, M.A., on a protective tariff to include a well devised preferential system, and the third by R. L. Wright, treasurer of the Wahl Eversharp Co. of Canada, and president of the Canadian Society of Cost Accountants, on reducing manufacturing costs by scientific cost finding. Mr. Wright's views are embraced in the third article herewith.

It is my studied opinion that one solution of the present economic conditions facing Canadian manufacturers as a result of recent tariff changes, lies in a much more intensive development of scientific cost finding.

It has been only of recent years that the full value of accurate cost ascertainment has received recognition in Canadian industries. Post-war conditions and the primal necessity to reduce operating costs have made it compulsory that manufacturers set up some system that will disclose unusual losses more or less automatically, and will, with periodical promptness, locate the exact position of leaks, in manufacturing or administrative organizations, through which potential profits slip away. This saving system is to be found in the establishment and correct alignment with other parts of the business organization, of a scientific cost-finding department.

Many business executives seem to think that cost accounting is a white elephant of doubtful value for its bulk, and that a cost department in their factories is an addition to overhead that is of but equal value. With the modern development of systems of cost accounting, and the intense strides that have been made in the simplification of cost methods, the problem of accurate, yet inexpensive cost-finding has been in large measure solved.

I would lay special emphasis on the statement that whilst the term "Cost-Finding" is generally regarded as applicable only to the finished product, it should not be forgotten that the same machinery for establishing this value can also be utilized to ascertain the secondary and, in some cases, much more elastic cost, of selling and administration. In fact, a modern cost department will pay as much attention to analyizing this part of expense as to the strictly productive manufacturing cost. In very many cases the selling and administrative portion of the general overhead can be successfully broken down and described accurately in terms of added percentage to the productive cost of the unit.

Budget Re-Control

Modern systems of standard cost accounting have produced an instant demand for departmentalized budgets. This is the most effective method of securing a ready check against the increase or decrease of expense both of the actual operation and of overhead and distribution costs. Having once set up a standard cost for each operation and department, such cost being estimated on a budget system arrived at by intelligent experience, it is a simple matter to note variations from such standard, and to overcome them in the period in which they are occuring. This system of budget re-control is fortunately coming more and more into general recognition, and in whatever industry it has been adopted properly, it has more than proved its value by the help it has afforded in controlling variation from pre-determined standard.

An adequate budget re-control system would provide for inequalities of sudden seasonable demands by placing production on a more equalized basis. This, in itself, gives industry an opportunity to reduce excessive labor and unequal overhead. Here again I emphasize the point that there is no longer any excuse for the firm that says a cost department is too expensive. Simplification of cost methods and their automatic control has brought this system to a state of appreciated efficiency that makes its adoption essential and vital to all modern manufacturing problems and business organizations large and small.

R. L. Wright, the contributor, is a leading cost accountant. He is president of the Canadian Society of Cost Accountants, and treasurer of the Wahl Co., Ltd., manufacturers in Canada of the Eversharp pens and pencils. That Mr. Wright has reason to speak so confidently and with such emphasis is admitted by his associates, who are aware of the results he has achieved for the Wahl Co. in the establishment of their Canadian factory. Here a total of 216 separate articles are produced, and concurrently costed on a system that, though it produces only 20 per cent. of the similar factory in the States has controlled and reduced its costs to within 2 per cent. of the American cost on the same goods. The significant fact in this result is that costs having been thus reduced, the Wahl Company has been able to reduce the selling price of all their commodities in Canada to the level of the prices established in the States.

In making a detailed analysis of American versus Canadian manufacturing costs, Mr. Wright compared the results in eleven American factories to eleven similar Canadian factories. While the output of the American factories was in every case much larger, due to massed production, there was an abnormal difference in costs that could not be explained by this alone. One would be ready to admit slightly higher costs in Canada, due rather to material than labor, coupled with additional overhead on lesser output, but the actual difference in these industries was as great as 7 to 40 per cent. lower in the American factories, and in every case the distribution costs as distinct from the production costs was considerably lower in the American factories. The vital point brought out by the investigation indicated that the high percentage of difference in costs was due largely to the failure of the Canadian industries involved to avail themselves of the special knowledge and detailed analysis which a modern cost-accounting system could give them.

EASTERN BUSINESS MEN TO VISIT WEST

Toronto, Montreal Merchants, Manufacturers and Financiers Invited to See Harvest

From Our Own Correspondent.

WINNIPEG.—The revival of what in pre-war days was a popular diversion on the prairies during the harvest season—business men's tours of the West—has been announced by the Winnipeg board of trade. A party, expected to number 125, will leave this city on August 18 and will journey by the C. P. R. to Edmonton. From the latter city they will take the Canadian National to Jasper Park. The return will include visits to Medicine Hat, Lethbridge, Calgary, Red Deer, North Battleford, Saskatoon, Yorkton, Brandon, and a large number of other points.

Invitations have been sent to the members of the boards of trade of Toronto and Montreal, as well as to members of the boards of trade of leading mid-western American cities. The foreign consuls of Winnipeg have also been invited to make the tour.

The pre-war trips of this character are recognized as having been a big factor in developing the esprit de corps among Western business men, as well as in revealing the resources and trade possibilities of the prairies. The hope is expressed here that the trip this year will be the beginning of annual enterprises of this kind.

Russia Will Export Little Wheat This Year

NEW YORK.—Advices as to Russian crops are conflicting. The Chicago Tribune prints a copyrighted article from its Berlin correspondent stating that the Soviet press admits this year's crop failure is greater than that of 1920, that Ukrainia expects only 10 per cent. of a normal crop, while in the Tsaritsin and Volga districts the crops are a total loss. Ordinary press dispatches, on the other hand, say that while crops in certain districts have suffered severely from drought, and some of the Volga districts will need assistance, the danger of a general famine has been averted. Russia is unlikely to export much of this year's crops.

CANADA'S OPPORTUNITIES

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LARGER OUTPUT IS REMEDY FOR UNEMPLOYMENT

Different Wealth Distribution Not Solution for the Problem

By JOHN R. COMMON, Ph. D., University of Wisconsin.

Three conclusions may be drawn as to the classes of contributors to unemployment insurance.

1. Either a mutual insurance or a state insurance fund, where all employers contribute to a common fund, is fitted to the circumstances and is desired by small establishments and by establishments unable to command the credit, or business ability, or market opportunity, necessary to reduce the peaks of overemployment and fill the troughs of unemployment.

2. The larger establishments, with greater business ability and better market opportunities to diversify and stock up their product, desire to "carry their own insurnace," as we say, in the form of their own house reserves for unemployment.

3. The employees desire, and are even compelled in the case of a union, to have a common fund, on either the mutual insurance or the state insurance plan, in order to relieve the actual distress of unemployment, wherever it may occur.

It will thus be seen that only from the largest establishments, and not from the smaller establishments, nor from the employees, nor from the state, can any material progress be made towards prevention of unemployment. The Huber bill, recently before the Wisconsin legislature, was drawn upon this principle. Establishments with good financial credit are permitted to carry their own reserves for unemployment. Other establishments are required to insure in mutual insurance companies, or otherwise. The employees are not required to contribute, but may of course voluntarily contribute, and the state government does not contribute, but merely sets up the legal right to a definite compensation or deferred wage, for lack of work, just as is done in the case of workmen's accident compensation, leaving the employer to finance his obligation as he may find most convenient.

This directs attention to the principle that, if unemployed insurance is to succeed, it must be accomplished, not by a different distribution of wealth, but by a larger productivity of industry. This larger productivity may be expected partly from the reduction of overhead costs per unit of product and partly by fitting the insurance scheme on the one hand, to the speculative, individualistic, pecuniary psychology of employers, and on the other hand, to the conservative, solidaristic, welfare psychology of workers.

Already, in the Chicago clothing market, the initial effects of these inducements to greater productivity can be seen. Large firms have already cut down their peaks somewhat; the union, through its employment office, and its discipline of union members, is guarding against waste in the employer's business, and abuse of the benefits payments; and, most significant of all, the employers generally are taking seriously to heart the new standard of competitive success which turns upon their ability to smooth out the curve of employment.

It cannot be said that these, and other isolated projects which might be mentioned, have had, or will have, much effect in getting back to that fundamental cause of business cycles, the credit policies of bankers and of the reserve bank systems. They are only a few scattering indications of the increasing attention of the business and labor world towards the stabilization of industry. Yet the provision for compulsory reserves for unemployment, whether through union pressure or state pressure, may be said to be a kind of specific remedy directed towards that outstanding fact of large-scale industry, namely, the control of industry by bankers, financiers and absentee boards of directors. I know of no way to reach these modern captains of industry except by way of the pocket book. The modern pocket book is the credit system. If the duty to pay for unemployment, in the form of deferred wages, is made directly a cost of industry, before dividends of interest on debts are paid, just as modern statute law has made the laborers' current wages a prior claim on industry, then we may expect the absentee pocketbook to convey to its owner a realizing sense of the importance of so regulating the expansion and contraction of banks and reserve banks as to provide a greater stabiliaztion of industry.

Another limit to the scope of unemployment insurance may be said to be the space limit. An individual establishment cannot do much when its competitors are not brought in line; a single industry cannot do much when other industries are boosting and slumping; even a single state of the American union cannot go far when the American nation is holding back; and a single nation cannot act effectively without the cooperation of other nations. Yet nothing will be done, either in credit stabilization or in employment stabilization, if each establishment, each industry, or each state, or nation, waits until th eothers begin. Beginnings must be made in spots, and then the laggards must be brought up to the level of beginners.

And so, if we conclude our inquiry as to how far unemployment insurance may be looked forward to as a means either of relief or of prevention, we can only say that, at first the limits are very narrow and the barriers are very high, considering the size of the big problem of unemployment; but, like every other line of progress in modern life, the limits of unemployment insurance tend to recede by means of each little exercise of ingenuity by an individual, an industry, a state or a nation, and by means of stimulating the inducements towards setting up collateral and auxiliary schemes of stabilizing in the whole field of credit, taxation, government policy, business management and labor organization.

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TORONTO

CRITICIZES C.N.R'S. ACCOUNTING SYSTEM

"Surplus Not Always a Surplus," Says J. L. Payne in American Paper

"When Government Keeps the Books" is the title of an article by J. L. Payne appearing in the August issue of The Nation's Business, in which Mr. Payne says: "A surplus is not always a surplus—as in the case of the Canadian-operated railways." Following are excerpts from the article:

"The American people no doubt are watching with neighborly concern Canada's venture into public railroad ownership. Possibly some of them have been misled by the optimistic statements given out in relation to the showing of the government system in 1922 and 1923. They would do well, however, to grasp and gauge carefully all the facts before reaching definite and roseate conclusions.

"In 1920, which was Canada's heaviest year of traffic, the Canadian National Railway had an operating deficit of $37,024,805. For the year 1923, however, it had an operating surplus of $20,236,563. This may be taken by the uninformed, especially those looking on from a distance, as representing a proportionate betterment in the peculiar railway problem of the Dominion, and to that extent a vindication of the principle of public ownership. There is, however, another side to the matter, and it is for the purpose of frankly and judicially presenting the facts in the case that this article is written.....

"While a substantial operating surplus was produced in 1923, and results for the first three months of 1924 show encouraging increases in gross receipts, it is to be noted that the estimates brought down recently to Parliament by the minister of railways provide for an appropriation of $74,550,000 on the capital account of the Canadian National Railway, an appropriation $18,550,000 larger than that asked for last year.

"There is a meaning in this capital appropriation which goes to the pith of the whole matter. The money is not needed for extensions, the purchase of equipment, or anything of that nature, such requirements being met by the ordinary method of borrowing on bonds bearing the guarantee of government. It is asked for primarily in order to pay fixed charges.....

"We can arrive at a prompt understanding of the rapid rate at which capital liability has grown if we look for a moment advances to the Canadian National during the past four years alone.... These advances insofar as the creation of fixed charges is concerned, have taken two forms—cash from the public treasury and guaranteed bonds. In either case the result is the same. The only difference is that in the latter instance the liability does not appear immediately in the public debt. For the purposes of this review, therefore, no distinction will be made. Bearing that in mind, the facts with regard to government advances, loans and guarantees are as follows:

1920	$113,639,436
1921	133,665,648
1922	112,821,131
1923	108,592,730
Total	$468,718,945

"This amount, moreover, could be considerably swollen without straining the principles of sound accounting. For example, the interest on the capital cost of over 5,000 miles of line is not included, although there is no reason for excluding it. It is omitted simply because the government paid the cost of construction in the first instance, and the liability thereon is taken care of annually in the public debt. Nor has the liability attaching to recent guarantees on over $200,000,000 of the debenture stocks of the Grand Trunk Railway been taken in.

"What will be recognized at once is the fact that while operating surplus of $20,236,563 was won by Sir Henry Thornton last year, fixed charges have been increased by almost $25,000,000 during the past four years. So far as the public treasury is concerned, therefore, the situation is slightly worse than it was four years ago. In other words, fresh liabilities on capital account are increasing more rapidly than are net operating earnings."

Mr. Payne was formerly statistician for the Canadian Northern Railways.

A Wet Ontario Would Help Dominion Glass

From Our Own Correspondent.

MONTREAL.—Discussion of Ontario's possible return to the wet column on a basis similar to Quebec's system of government control of liquor sale is stimulating interest in Dominion Glass stock.

Dominion Glass is known to be making excellent profits. Some of its recent improvement in earnings has come through the large shipments by bootleggers of beer from Canada to the United States, from which country bottles never return for refill. But the directors are discounting this business; they know that it will last only so long as there is laxity of law enforcement along the border, and no dividend increases will be based upon this abnormal situation.

The best bet for the company at the moment, of a tangible and substantial nature, is Ontario's potentialities as a purchaser of beer bottles for breweries and distilleries. Ontario at one time provided big business for Dominion Glass in this branch of its varied business.

News and Views for Investors

FOUR GROUPS ENJOY BULK OF ATTENTION OF STOCK MARKET

Traders Veered From Papers and Textiles This Week

While New York has suffered a reverse in the stock market, the just perceptible advance on the Canadian exchanges has continued, though there has been somewhat of a change of interest, attention veering from the paper and textile groups to the transportation and banking groups while the Utility and industrials continue to share the market domination. Last week the papers enjoyed a major portion of the attention and a number of advances were recorded. Then came a slight reaction. The same applies to the textile group. There was quite a weakness among some of the steel shares while the milling continued to draw a fair share of the attention which was focused on them a couple of weeks ago. Good substantial advances were scored by the utility issues that moved upwards, 5 making a gain of 11 points. In the transportation group, C. P. R. led off with a 5 point jump, seven stocks advancing 13 points. Advances in the industrial group, while more numerous than usual were of the fractional or one point variety with the exception of one or two. The same with the declines.

Opinion on the market is still divided. Some are looking for the present upward tendency of the exchanges to gradually broaden out into a movement that will practically take in the whole list. They believe that the improvement in business will warrant this and that easy money will be a very helpful factor.

On the other side of the argument there are brokers who believe that business will get better, but they cannot see where there is a chance for better business of a kind that will warrant any bullish market movement. In other words, they oppose too much optimism. They agree that there is lots of cheap money available. For this reason they do not favor banks stocks. They say the banks are full of money and are trying hard to get it out on a margin of two per cent. They cannot see great profit there. They believe that some of the better managed companies should do better in the fall, but they say they feel sorry for some others. Other brokers continue to stress the view that easy money alone is responsible for the present market flurry. They also make the point that as stocks go higher the yield on some issues is getting to about the level of a collateral loan and there is a risk involved in the stock that is not present in the loan. It is contended that business has been receding all the time that the market has been moving slowly upwards. This is perhaps more true of the U. S. than in Canada, but nevertheless some of the bullish brokers are content to believe that perhaps the recovery to be expected in the fall has been discounted.

The big New York houses are driving home this point in their advice to clients. After reviewing the favorable factors that have developed such as progress on the Dawes plan, proposed railway consolidation and others, the Bache Review says it is well not to become too optimistic, for while these may mean a continuation of rising activity in the market there are possible conditions ahead which should be reckoned with. Some of these conditions are political, but they make the point that in regard to industrials and the discounting of heavy fall trade, the advantage will be in a measure offset by high wages standing in the way of large earnings.

Hayden-Stone believe there is danger of the market losing its sense of proportion. They say:

"It might be logically contended that this is a discounting market. This, to be sure, is regarded as its normal function and may be true in this case, but we consider that the present level has discounted quite fully the extent of recovery likely to be seen this fall. At such a time as the present the market is apt to lose its sense of proportion. Activity at rising prices tends to take the place of basic value. We believe that this rather dangerous pass has been reached. Needless to say, the uninterrupted advance of the last three months has decidedly weakened the technical position. While our general tendency is to favor the constructive side, we think that speculative commitments should be limited until this condition has been corrected."

The trend of the Canadian market for the past week is shown below:

Group	Gain	Loss	Unchg.	Total
Banks	5	2	4	11
Paper	2	3	8	13
Steel	1	4	15	20
Milling	4	2	7	13
Utilities	5	1	8	14
Transportation	7	3	6	16
Textiles	2	2	10	14
Industrial	11	4	23	38
Total	37	21	81	139

SHERWIN-WILLIAMS "BOOM" COLLAPSED

Company's Officials Punctured Hopes Created by Street Gossip—No Split-up Now

From Our Own Correspondent.

MONTREAL.—The boom in Sherwin-Williams' shares and the collapse of the boom is getting to be an annual affair. This week investors saw the usual movement that materializes about this time. The shares sold up, and it was freely whispered that there was going to be a "split-up" of the stock on a two-to-one basis. Speculators rushed to buy, and as there is never very much paint stock available, the movement of the stock extended several points. Then W. S. Fallis, vice-president and managing director, came home from the West and issued an official statement to the effect that no melon was going to be cut. That punctured the bubble and the stock slid down ten points when the market opened on Wednesday, gaining some of the loss later.

It was a repetition of what had happened last year, and the year before that. Some wise traders remarked "old stuff," got out their stock at the top and bought back when the shares settled down again.

How the movement started is difficult to ascertain. One Montreal stock brokerage house did most of the buying, but this house is neither large nor important. Those in touch with the company's affairs state that no insiders participated in the affair in any degree. Both Mr. W. H. Cottingham, the president, and Mr. Fallis, the managing director, were away when the stock began to rise. Mr. Cottingham is in Europe, and Mr. Fallis was in the West.

Two rumors were circulated. One was to the fact that there was a struggle for control of the company; another that the stock would be split up two shares to one. Mr. Fallis' statement seems to effectively dispose of the possibility of the long-awaited split-up coming this year.

A local paper this week referred to the American control of the company. It is not generally known that Sherwin-Williams is almost entirely owned in Canada, the Canadian shares outnumbering the American shares four or five to one.

Earnings are known to be satisfactory. This year's business will be up to the average of the past few years. The stock is good enough to stand on its own feet without speculative influences being brought to bear upon it, as was the case during the past week.

Restrain Rotary Motors From Selling Its Stock

BUFFALO.—An order restraining the officers of the Champion Rotary Motors Company from further sales of stock in the corporation was signed lately by Justice Brennan in supreme court on application of Michael Montesano, deputy attorney-general. Benjamin F. Augustine, 102 Middlesex road, is treasurer of the company. The attorney-general's office stated that an affidavit made by the officers of the company in answer to a questionnaire from the state listing the assets of the company at more than $2,000,000 was false.

Detroit United Will Raise Three Millions

From Our Own Correspondent.

MONTREAL. — Detroit United halted its downward movement this week, the stock market having discounted to a large degree the expected announcement of new financing.

The new financing that is to be done is somewhat larger than was counted on. An issue of $2,000,000 of bonds will be sold "for general corporate purposes." The bonds will follow after the recent $10,000,000 authorization of first mortgage bonds as a lien on the properties.

The financing will be voted on by stockholders on August 25, when a proposal will also be submitted for the issuance of $1,000,000 of equipment notes.

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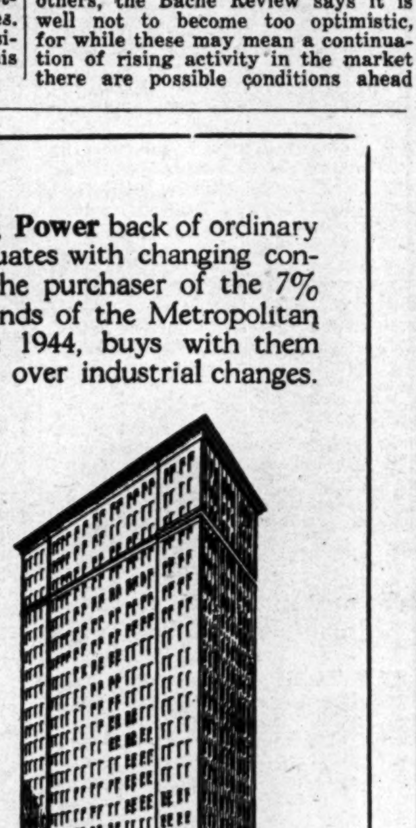

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361

SPILLERS' MILL TO BE 10,000 BARRELS

Deal With Big British Concern is Well Regarded on the Prairies

From Our Own Correspondent.

CALGARY.—It is generally considered that Alberta Flour Mills shareholders acted wisely in accepting the offer of Spillers of England. Owing to the stringency of the money market during the past year or two, funds could not be raised either in Britain, the United States or Canada for the completion of the mills which would have been seized for taxes and the shareholders would have lost their entire investment.

The advent of Spillers means that the large mill, now under construction in Calgary, will be completed at a minimum cost of $1,500,000. Construction will in all probability start at an early date and the mill will be grinding Alberta wheat into flour in 1925. It will find work for many hundred employees, the pay-roll running to between one-quarter and one-half million dollars per annum. It will handle 10,000 barrels of flour daily. Spillers plan other investments and will eventually control industries in Alberta representing an investment of $15,000,000. Their present investment here and at Vancouver is $4,000,000. Shareholders of the Alberta Flour Mills will get shares in the new enterprise which will be capitalized at approximately $20,000,000.

With Spillers in Western Canada there is every likelihood that Joseph Rank, Limited, Spillers' greatest competitors in Britain, will follow. A short time ago, James Rank, one of the members of the firm, was in Calgary looking over the situation. He was keenly interested to learn what Spillers' representative was doing, and plainly intimated that if Spillers came into Western Canada they would do so also.

Looking for Better News as to Besco's Operations

Canadian Machinery.

In discussing the announcement that the Sydney steel plant of the British Empire Steel Corporation would close down Aug. 9, for at least three months, the Sydney Post declares that "the corporation is an unwieldy project, with which a feeble management struggles hopelessly. The properties it controls are Nova Scotia's greatest industrial assets. That they should be wrecked or brought to ruin, under the throttle-hold of incompetent hands, is a provincial tragedy that the authorities of the country should prevent. These vast industries are rapidly drifting toward the reefs of ruin, from which they must be salvaged, if at all, by government intervention."

These are strong words and unjust ones, for they imply that President Roy M. Wolvin, General Manager J. E. McLurg, and their associates are to be blamed for the recent "famine" in the steel industry. That's a ridiculous charge, for fundamental conditions in the first seven months of 1924 would have nullified the best efforts of any executive. Orders have been hard to obtain, the slowing up of business being general; "government intervention" consisted of tariff reductions, particularly detrimental to the steel industry; steel plants in the United States, although protected by a high tariff wall and Canada's door opened wide for many of their products, succeeded in operating at only 40 per cent. of capacity, Bethlehem Steel, a mammoth organization in comparison to the Nova Scotia industry, passing its dividend only a short time ago.

Claims that the 12,000 ton rail order of the Canadian National Railways, early in July, offset the damage wrought by the tariff cuts are puerile.

A review of the corporation's activities, since the announcement on March 22, 1921, that Pasco would function as the holding company for Dominion Steel, "Scotia," the Halifax Shipyards and subsidiary companies, shows that the promise made then that "extensive economies in the operation of all plants would be effected under one management and control" has been kept in word and deed, the Robb budget, lack of cash in its treasury and wider markets for its products being the sole reasons for the corporation's difficulties.

The loss Besco will sustain as a result of disbanding its entire steel working force is regrettable. Skilled mechanics, who have been in the company's employ for years, will leave Nova Scotia never to return. Young and promising workers, who have acquired experience at the Sydney plant, will be forced to seek work in other fields, although the new U. S. immigration restrictions may restrain many foreign-born employees from quitting Canadian soil.

Better days, however, are bound to come for Besco, and they will be accompanied by the prosperity the energy and efforts of the directorate merit.

BUSINESS TAKES SANER VIEW OF CROP PROSPECTS

(Continued from page 1)

is the beginning of an upward movement. There are reports of better buying in a fairly large number of rural sections principally in Ontario and Quebec. This is attributed, in part, at least, to the sale of the fruit and hay crops. The hay yield has compared very favorably with that of last year taking the country as a whole. Last year's total revenue from this source, including alfalfa, was $175,000,000 as great or greater return from this year's crop. A considerable number of creameries throughout Quebec and Eastern Ontario are selling their supply of sweet cream in the American market at considerable advantage.

A branch of the automotive industry which is proving extremely remunerative to Canada is the production and sale of freight automobiles and trucks. In 1922 we exported 1,671 trucks at a value of $763,192. In 1923 that total jumped to 5,715 and the value to $2,096,185. During the fiscal year ending with June we exported 15,475 trucks at a value of $5,490,220. Adding to this the figure for home consumption, we have an increasingly important source of revenue.

According to developments since the beginning of the year in the fishing industry, there wuold appear to be better things in sight for the fisherman. A distinct improvement has been in evidence since the very beginning of the year, and during the first quarter the output was 56 per cent. above that for the same period last year. This increase has been well maintained right up to the end of July, and a total revenue for the year exceeding $50,000,000 is in prospect, in comparison with a recent annual average of less than $40,000,000. Currently, the canned salmon industry in British Columbia is quite busy and the British market is showing active demand.

The insolvency statement for the Dominion of Canada during July shows a further decrease in the number of failures. According to R. G. Dun & Company, last month's failures numbered 173 in comparison with 263 for July last year.

PATENT INFRINGEMENT ALLEGED

Canadian Converters hold the right to make the Van Heusen semi-soft collar in Canada. Other companies are making a somewhat similar collar. In the U. S. Van Heusen has a decision pending on patent infringement and a favorable decision there, it is said, may result in a similar action in Canada.

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RAILWAYS LOOK FOR WAY OUT OF CROW PASS RATE

Discrimination Was Foreseen if Government Forced Schedule

From Our Own Correspondent.

MONTREAL.—When asked whether he had noted the storm of comment and protest that had followed upon the putting into effect of the Crow's Nest Pass rates, E. W. Beatty, K.C., chairman and president of the C.P.R., stated on his return from overseas this week that he had seen a good deal of this, but that it was nothing more than had been expected by himself and other railway officers.

"At the time the proposed restoration of the Crow's Nest Pass rates was under discussion," he said, "it was made abundantly evident by the railroads that they could not afford in the face of existing costs of operation for labor, materials, equipment, etc., to extend the operation of the Crow's Nest rates beyond the limits originally fixed. It was also fully explained that if restoration was forced upon the railways many inconsistencies would inevitably result, and some parts of the country would be unduly favored in comparison with others.

Too Many Theorists

"One of the grave difficulties of the day in railway operation in Canada is that theorists in railroad management are preaching a doctrine that gives no thought to the cost of operation in relation to the price the railroad is permitted to get for the service it gives as a common carrier. In most other lines of business, cost to the consumer is based on the cost of production. I cannot see why it should be different in the selling of freight or passenger transportation. Somebody has got to pay wages and other operating costs and if the shipper is not willing to do so, I do not know who will, unless the country will pay it as a whole, and I imagine that even the strongest supporters of public ownership will agree that we have reached the limit in that direction."

Sir Henry Thornton, president of the C.N.R., expressed his opinion on this topical question to representatives of the Edmonton Board of Trade a few days ago as follows: "I readily recognize and appreciate the situation and we are doing everything we can to see that this discrimination does not remain. The matter has been considered very carefully by the officials of the Canadian National Railways and we are doing our best to see that any unjust discrimination does not exist, but at the present we ourselves do not fully realize what the effects of the rate will be, and for that reason must give it a great deal of care and consideration. It is a serious thing and its effect may be far-reaching."

THE CROW'S NEST RATES IN HANDS OF COMMISSION

(Continued from page 1)

age hauls, the relative services performed, and the ratio of revenue produced by grain and grain products to carload revenue compared with former years.

That there has been slow but progressive improvement in the economic condition of agriculture in the Western group since 1921, though the improvement in grain-raising areas is less than with respect to other classes of agriculture.

That the present adjustment of rates on grain and its products from "the element of value standpoint," compared with the other heavy-loading commodities moving in volume, pointed to by complainants, as profiting by the disturbance in relative values, is not unfavorable to grain and grain products.

That despite a peak year in 1923 from the standpoint of traffic handled, it does not appear that respondents made a fair return, after giving due consideration to the complainants' contentions as to abnormal expenditures for maintenance of equipment, and to the aggregate valuation.

That we have no assurances on this record that there will be such further increases in tonnage or such reductions in operating expenses in the immediate future as to enable respondents to earn an excess over a fair return. Any further reduction in revenue would increase the shortage in the fair return of carriers in the Western group.

That large additions to capital must continually be made by carriers in this group for needed additions and betterments, which cannot be done if the credit of the carriers is seriously affected by undue impairment of their net revenues from operation.

That the benefit that would accrue to the average farmer in case of a reduction in rates is small compared with the aggregate disastrous effect on certain of respondents' revenues and on their credit, and there is serious doubt whether farmers would not in many instances lose from impaired railroad service more than they could possibly gain from a reduction in rates, even if the farmers would get the entire benefit of any reduction made.

"All we here decide is that under the facts and conditions shown by this record, and viewing the present structure as a whole, the existing rates on grain, grain products and hay, are not unreasonable when the usual tests are applied."

The foregoing opinion seems to bear out the statement of Sir Henry Thornton that rates in Canada are the lowest of any country in the world.

JAMAICA PUBLIC SERVICE

Comparative Earnings For the Month of June

	1924	1923	Increase
Gross June earnings	46,239.96	42,869.41	3,370.55
Oper. ex. and taxes	31,783.36	52,597.96	20,814.60*
Net earn.	14,456.60	9,728.55†	24,185.15

†—Deficit. *—Decrease.

Expecting Shawinigan to Issue New Stock

From Our Own Correspondent.

MONTREAL.—Stock market circles are looking for a new issue of stock by Shawinigan Water and Power Company, which would be offered to present shareholders. The feeling is that new stock will be offered to the shareholders on the basis of one share in ten of their present holdings, and at par. This would make the rights to subscribe very attractive. This feeling is responsible for the strength of Shawinigan this week.

When the St. Regis Paper Company erect paper and cardboard mills at Quebec, this will mean another large power contract for Shawinigan. Shawinigan also stands to benefit from any increase in the dividend it receives on its holdings in Montreal Power, and in improvement in its subsidiaries, the Quebec Power Company, and the St. Maurice Power Company.

The feeling is that Shawinigan, in addition to being a high-grade investment stock, offers excellent possibilities for improvement during the next few years.

Shawinigan has $20,000,000 of stock outstanding, which is comparatively small for an enterprise of its scope.

COKE MAKING PLANT FOR THE MARITIMES

Promotion is Being Got Under Way at St. John—Plans for Financing

From Our Own Correspondent

ST. JOHN, N. B.—Promoters of a coke manufacturing company in St. John, N. B., state that the project is assured. United States and Canadian capital are interested in the scheme, to use maritime province coal in the process. It is claimed that coal mined in the Grand Lake area of New Brunswick exhibits more strength when converted into coke than coal mined elsewhere in Canada. While no definite information is available as to the method of financing the project, it is reported that an issue of stock will be placed on the market, for purchase by the general public, in St. John and vicinity. The outlook is that the bulk of the coal used will be from the bituminous mines at North Minto and South Minto. No site has been definitely selected for the plant, but a number of suitable locations have been inspected by the promoters. The group of St. John men who are promoting the company express satisfaction with the progress thus far made, including S. E. Elkin, general manager of the Maritime Nail Manufacturing Company, which plant has been idle for several years.

Other industries planned for St. John include a cigarette manufacturing enterprise, and a vegetable and fruit-canning industry in West St. John.

T. H. WOOD HEADS TORONTO MORTGAGE

Owing to the recent death of Wellington Francis, K.C., president, changes have been made in the executive of the Toronto Mortgage Company. The new president is Thomas H. Wood; vice-pres., A. M. M. Kirkpatrick, while the vacancy on the board has been filled by the election of Gerard B. Strathy.

G.T.P. PERPETUAL DEBENTURE HOLDERS TO FARE BETTER

$1,395,170 is Available, Says Deputy Minister

OTTAWA. — Deputy Minister of Railways, Graham Bell, announces that there is available for the Grand Trunk Pacific perpetual debenture holders the sum of $1,395,170 on last year's operations, instead of $322,803, as indicated by the minister of railways in his last annual statement. This latter was made on the intimation of the Canadian National management, but Messrs. G. A. Touche & Co., the auditors agreed on by the debenture holders, excluded from the company's figures the sum of $1,843,373.98, on which the legal department of the railways gave the debenture holders the benefit of the doubt. This accounts for the difference.

This means that the fixed charges of the Canadian National Railways last year are increased by $1,000,000, bringing them up to $67,150,000, and consequently the total deficit is increased by this amount.

The showing made by the railways so far this year does not make the outlook for the G. T. P. debenture holders nearly as bright; indeed, on the other hand the chances of them getting much appear reduced. The Canadian National started the year well, due to a continued increase of business in the United States, but in April there came a change, attributable to the decrease in freight traffic across the line, which, of course, directly affected the Grand Trunk earnings. The result was that net operating income over the whole system, which showed a credit of $1,538,550 in May, 1923, showed a deficit of $697,634 for the same month this year. On the four months the National system, according to the Bureau of Statistics, had an improvement of $3,000,000 in operating over that for the same period last year, but as there has been a further decline in earnings during the last three months, it is believed that the net has also suffered.

London has shown quite an interest in the announcement of Dr. Bell and the price of the debentures on the market rose to 63 only to later sag to 58½.

CANADA STEAMSHIP

McCraig Bros. & Co., who have leaned towards Canada Steamships for some time, say that in spite of lower freight rates net earnings so far have been ahead of last year. Higher passenger earnings, lower operating costs and more rapid despatch of cargoes are the reasons given for this favorable showing. Arrears of dividends on the preferred are now in excess of 18 per cent. and deducting this amount the cost of stock purchased around 45 would be brought down to 27, which certainly seems an attractive figure for a preferred stock, with assets behind it valued conservatively at over $135 per share.

Recent buying of the common stock is based on the expectation that a settlement of the reparations question will result in a considerable improvement in the market for asbestos, as prior to the war Germany was one of the most important consumers of this product.

Reduced Federal Taxes have wrought interesting

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STOCK MOVEMENTS OF THE WEEK

WEEK ENDING AUGUST 12

	Div. Rate	Yield Aug.11	High For wk.	Low For wk.	Close Aug.12	Close Aug. 5	Sales For wk.	Range 1924 High	Range 1924 Low
Banks—									
Commerce	12	6.59	183¼	181¼	182¼	181¼	277	188	178
Dominion	12	6.77	177	177	177	182	98	187	176¼
Hochelaga	10	6.80	147½	147	147½	146	347	150½	143
Imperial	12	7.01	172	171	171	171	59	179	169
Molsons	12	8.16	148	147	147½	148	73	159½	147
Montreal	12	5.04	238	237¼	237¼	238	182	248	230
Nova Scotia	16	6.40	250	250	250	250	32	260	248
Royal	12	5.45	221	220	221	220	86	221	211
Standard	12	7.54	160	159	159	..	44	168	156½
Toronto	12	6.85	176	176	176	175	1	179	169
Union	8	7.84	102	102	102	102½	11	109½	100
Paper—									
Abitibi, com.	4.00	6.78	59	58½	59	59	215	69	54
Do. pref.	7	6.96	100½	100½	100½	99½	10	105½	98¼
Brompton Pulp	..	....	35	33	34	33	2523	43	29
Laurentide	6	6.85	88½	87	87½	87¼	123	98½	84¼
Price Bros.	2	4.87	41	41	41	41	408	45	40
Prov. Paper, com.	6	6.89	87	86	87	85	10	100	83
Do. pref.	7	7.05	..	..	..	..	..	97½	90
Smith, Howard, com	4	10.25	39½	39	39	39½	35	75	39
Do. pref.	8	8.96	89½	88	89½	90	37	100	90
Spanish River, com.	7	6.45	108½	108	108½	107¼	520	114½	96
Do. pref.	7	6.08	115½	114¼	115	114¼	155	119½	110
St. Maurice Paper	6	6.97	86	86	86	88¼	20	113¼	85
Wayagamack	..	....	..	..	..	..	..	45	32
Steel and Steel Industries—									
B.E. Steel, com.	..	....	3	2½	3	2¼	100	6	2
Do. 1st pref.	..	....	32½	32	32½	33	115	57½	32
Do. 2nd pref.	..	....	8½	8	8½	8½	55	17	7
Can. Car & Foundry, com.	..	....	40½	40	40	44½	90	50	36½
Do. pref.	7+1¼	8.23	86	85	85	86	90	97	84½
Can. Foundries, com.	..	....	..	..	..	..	..	31	19½
Do. pref.	..	....	..	..	..	..	..	45	45
Can. Locomotive, com.	4	6.15	..	..	..	..	..	67	65
Do. pref.	7	7.95	..	..	..	..	..	92½	85
Dominion Coal	..	....	40½	40½	40½	40½	25	81	40
Dominion Iron, pref.	..	....	..	..	..	..	..	57	31
Dominion Radiator	7	7.25	..	..	..	..	..	96½	94
Dominion Bridge	4	5.73	70	69	69	71	96	80	60
Dom. Steel Corp., pref.	..	....	38	38	38	39	45	73	38
N.S. Steel, pref.	..	....	..	..	..	..	..	68	68
Ontario Steel, com.	4	9.75	..	..	..	..	..	45½	40¼
Do. pref.	7	8.14	..	..	..	..	..	93	86
Canada Iron, com.	..	....	8	8	8	8	407	8	4¼
Do. pref.	..	....	30	29	30	30½	241	30½	25¼
Steel of Canada, com.	7	9.45	74	73½	73¼	74	150	83	69½
Do. pref.	7	6.86	103	100	74	103	93	105½	99½
Milling—									
Canada Bread, com.	4	5.06	79	78¼	79	79	60	79½	63
Do. pref.	7	7.07	99	98¼	99	99	31	100	95
Inter. Milling, pref.	7	7.46	93¼	93¼	93¼	93	1	96½	93
Lake of Woods, com.	12	6.55	183	182	183	185	51	183	167
Do. pref.	7	5.90	..	..	..	..	..	120	115½
Maple Leaf, com.	..	....	70	70	70	64	11	70	59
Do. pref.	7	7.21	98½	95	97¼	92	115	98½	87
Ogilvie Flour, com.	12	3.69	..	..	..	..	..	320	304
Do. pref.	7	5.83	120	120	120	118¼	17	120¼	116
Shredded Wheat, com.	8+1	6.66	135	135	135	135	3	138	135
St. Law. Flour, com.	6	8.00	75	73½	75	73½	275	75	66
Do. pref.	7	7.77	..	..	..	..	..	91½	89
West. Can. Flour	8	7.61	105	105	105	102	20	105	98
Utilities—									
Bell Telephone	8	6.01	133	132	132½	133	300	133½	125
Consumers Gas	10	5.95	169	168	168	168	44	169	159
Dom. Telegraph	6	6.81	..	..	..	..	..	44½	43
Kaministiquia	8	7.80	98	98	98	102½	85	113½	98
Mackay, com.	7	6.02	117	116	116	116½	213	120¼	102½
Do. pref.	4	5.92	67½	67½	67¼	67½	186	71½	65
Mexican Light, com.	..	....	..	..	..	..	..	20	18
Do. pref.	..	....	..	..	..	..	..	40	38
Montreal L. H. & Pr. Cons.	7	4.10	170¼	169½	170	170½	2559	176¼	140½
Montreal Telegraph	8	6.20	..	..	..	..	..	52½	48
Ottawa L. H. & Pr.	6	6.70	93	86	93	86	235	93	81
Quebec Power, com.	..	....	89½	86	87½	82	968	89½	64
Do. pref.	7	6.73	104	100	104	102½	186	104	90
Shawinigan	7	5.18	135	132	134½	131	2108	135½	118½
Southern Can. Power	1.00	....	67½	65¼	67½	66	230	67½	51½
Transportation—									
Canadian Pacific Rly.	10	6.49	154½	149½	153½	149½	185	154½	147½
Canada Steamships, com.	..	....	12	11	12	10¼	85	16	10
Do. pref.	..	....	46¼	44½	45½	47	458	52	41½
Tractions—									
Barcelona	..	....	16	16	16	16½	105	20	12½
Brazilian	4	8.33	48	47¼	47¼	47¼	2171	53¼	41¼
Detroit Un. Rly.	..	....	28½	25	28	27½	756	72½	25
Duluth-Superior	..	....	25½	25½	25½	25	118	35	19½
Illinois Traction, com.	2	1.98	101	101	101	103	1	103	60
Do. pref.	6	6.45	..	..	..	..	..	94½	87
Mexico Trams.	..	....	..	..	..	..	..	..	..
Montreal Trams.	10	5.86	170½	170	170½	168	219	170¼	148
Ottawa Traction	4	6.66	..	..	..	..	..	60	60
Porto Rico Rlys., com.	..	....	28½	28	28	28½	55	29	17
Do. pref.	7	9.21	..	..	..	..	..	77	66
Quebec Rly.	..	....	..	..	..	..	..	18½	14½
Toronto Railway	..	....	96¼	90	95½	94	760	100	80
Twin City, com.	4	8.42	48	47½	47	48	200	69	45
Winnipeg Elec., com.	..	....	36¼	35	36¼	35	460	36¼	24
Do. pref.	7	8.33	84	83½	84	84	242	85	75
Textiles—									
Can. Conn. Cotton, pref.	8	....	..	..	..	..	..	80	53¼
Can. Converters	7	9.33	..	..	..	..	..	90	70
Can. Cottons, com.	8	8.24	..	..	..	..	..	111	85½
Do. pref.	6	6.70	90	90	90	89½	10	91	86½
Can. Woollens, com.	..	....	..	..	..	..	..	7	5½
Do. pref.	..	....	..	..	..	..	..	41½	34¼
Dom. Textile, com.	4.00	7.08	56½	55	56¼	57½	628	66	53¼
Do. pref.	7	6.42	109	109	109	108¼	3	109½	104¼
Monarch Knitting, com.	..	....	..	..	..	..	..	25	25
Do. pref.	7	9.85	71	71	71	75	10	82	65
Montreal Cotton, com.	6	6.12	91	91	91	98	25	100¼	91
Do. pref.	7	6.60	..	..	..	..	..	107	104
Penmans, com.	8	5.44	147	147	147	153	157	165	134
Do. pref.	6	6.18	97	97	97	97	1	97	92
Wabasso Cotton	4.00	8.00	50	50	50	48	205	72	50
General Industrials—									
Amer. Salesbook, com.	5	....	37	37	37	37	5	47	37½
Do. pref.	7	8.28	85	85	85	85	29	95	85½
Asbestos, com.	..	....	26½	24	26½	24½	337	35	19
Do. pref.	6	10.16	59	58	59	60	15	62	52
Atlantic Sugar, com.	..	....	..	..	..	..	..	21¼	11
Do. pref.	..	....	..	..	..	..	..	51	32
Bird & Son, pref.	7	8.75	..	..	..	..	..	89	80
B.C. Fishing	..	....	17	16	17	18	130	18	8
Burt, F. N., com.	10	7.63	132	131¼	132	131	51	137¼	125
Do. pref.	7	5.34	..	..	..	..	..	136	131
Canada Cement, com.	6	6.93	86½	85	86½	85¼	130	93	83
Do. pref.	7	6.82	103¼	102½	102½	103	280	108	102¼
Can. Gen. Electric, com.	6	5.35	..	..	..	..	..	58½	52½
Do. pref.	7	6.25	56	54	56	53½	140	54	51½
Can. Indust. Alcohol	10	....	35	33¼	34¼	34¼	3823	35	26
Canadian Salt	8	7.37	109	108½	108½	110	56	115½	108½
Carriage Factories, com.	..	....	..	..	..	..	..	2½	¼
Do. pref.	..	....	..	..	..	..	..	17	15
City Dairy, com.	3	....	58½	55	58¼	58	125	58½	40¼
Do. pref.	7	6.57	106½	106½	106½	107	5	110	104
Crows Nest Coal	6	13.04	47	47	47	46	1	51¼	46
Cuban Can. Sugar, com.	..	....	7½	7½	7½	7½	20	13	6
Do. pref.	..	....	35½	35½	35½	35½	25	54	33
Dom. Canners, com.	..	....	31	31	31	33	5	35¼	20¼
Do. pref.	7	7.95	88	88	88	88	5	90	82
Dominion Glass, com.	7	6.30	111½	109	110	108¼	1570	111¼	102¼
Do. pref.	7	6.60	..	..	..	..	..	107	103
Dominion Stores, com.	1.00	....	..	..	..	..	..	30	24½
Do. pref.	8	8.88	90	90	90	90	20	92¼	81
Davies, Wm. (A)	..	....	13	11¼	12	15	60	20	11¼
Eastern Theatres, com.	..	....	..	..	..	..	..	14¼	12
Do. pref.	7	10.29	..	..	..	..	..	70	67
Ford Motor	10	....	440	440	440	450	7	485	440
Goodwins, com.	..	....	35	30	35	30	110	48½	17
Do. pref.	7	7.77	..	..	..	..	..	95	69½
Goodyear Tire, pref.	7	9.62	72¼	72¼	72¼	72½	5	81¼	71
Frontenac Brew, com.	..	....	..	..	..	..	..	73¼	60
Do. pref.	7	7.52	..	..	..	..	..	122	90
Holt, Renfrew, pref.	7	....	..	..	..	..	..	66	52
Interprov. Brick, com.	6	9.09	..	..	..	..	..	66½	66
King Ed. Hotel	...	....	..	..	..	..	..	21	21
Lyall Construction	..	....	14	13½	13½	13½	6	21	10½
Macdonald, A.	..	....	..	..	..	..	..	5	4
National Breweries, com.	4.00	7.08	56½	55½	56½	55¼	2527	56¼	48½
Do. pref.	7	7.03	99½	99½	99¼	99¼	5	100	95
Pacific Burt, com.	6	6.15	..	..	..	..	..	101	94
Do. pref.	7	6.86	102	101	102	102	19	106	100
Port Hope Sanitary, com.	..	....	..	..	..	..	..	50½	49
Do. pref.	7	7.77	..	..	..	..	..	90	90
Rogers, Wm. A., com.	..	....	54	54	54	54	5	70	45
Do. pref.	7+1¼	7.60	88	88	88	92	20	100	86
Russell Motor, com.	..	....	..	..	..	..	..	18	17½
Do. pref.	7	14.00	..	..	..	..	..	56	48
Sherwin-Williams, com.	6	4.66	128½	117	121	117	2866	128½	100
Do. pref.	7	6.93	101	101	101	100	155	103	98½
Sterling Coal	4	9.52	42	41	42	40	35	44	40
Tooke Bros., pref.	..	....	..	..	..	..	..	20	38
Tuckett Tobacco, com.	4	6.89	..	..	..	..	..	64½	57
Do. pref.	7	7.36	96	95	95	95¼	35	97	92½
Woods Manufacturing, com.	..	....	..	..	..	..	..	35	23
Do. pref.	7	11.11	..	..	..	..	..	67	63
Trust and Loan—									
Canada Landed	10	6.32	79	79	79	80	10	86	78¼
Can. Permanent	12	6.55	..	..	..	..	..	187	179
Colonial Invest.	6	....	4	4	4	4	25	7	4
Hamilton Prov.	10	6.89	..	..	..	..	..	146	141
Huron & Erie	7	5.69	..	..	..	..	..	125	120
Landed Banking	9	6.52	..	..	..	..	..	148	138
Montreal Loan	12	6.48	..	..	..	..	..	46¼	46¼
National Trust	12	5.66	..	..	..	..	..	215	210
Real Estate Loan	7	7.86	..	..	..	..	..	89	85
Toronto Gen. Trusts	12	5.74	209	209	209	206½	18	210	202
Toronto Mortgage	10	5.86	..	..	..	..	..	85½	81½
Union Trust	7	8.23	..	..	..	..	..	85	84

FOUNDED HB 1883

BONDS for Safe Investment

GOVERNMENT, Municipal, Public Utility and Industrial Bonds.

Selected with careful regard to safety, dependable income and marketability.

Write for List.

HANSON BROS.
Investment Securities
160 St. James St. Montreal
63 Sparks St. Ottawa

More than 400 miles of new roads are now under construction in Alberta, under the direction of the provincial public works department. Several contracts have recently been awarded for roadwork in various parts of the province.

UNLISTED SECURITIES

Industrials, Utilities, Etc.—	Bid	Asked
Can. Assoc. Goldfields	04½	07
Can. Westinghouse, pref.	132.50	134.50
Can. Marconi	90	
Cockshutt Plow, 7% Pref.	22	25
Collingwood Shipbuilding, com.	47	53
Cosgrave	5	6
Dom. Power, pref.	94½	
Dom. Power, com.	38	39½
Dunlop Tire 7% pref.	80	84
Durant Motors (A)	5½	..
Durant Motors (B)	6½	..
Durant Motors (C)	6¼	
Dom. Sewer Pipe, com.	27	..
English Elec., com.	5½	..
English Elec., pref.	46	..
Famous Players, pref. 50%, com	71¼	73
Gunns, Ltd., pref.	32	35
Hamilton Pantages, pref.	50	..
Hamilton Pantages, com.	1	2.50
King Ed. Cons. deb. A	54	58
King Ed. Cons. deb. B	30	34
K. & S. Tire, pref.	..	34
Loew's Buffalo, com.	80	1.20
Loew's Hamilton, pref.	47	..
Loew's London, pref.	4½	5½
Loew's Ottawa, pref.	20	22½
Loew's Toronto, pref.	..	63
Loew's Toronto, com.	33	35
Loblaw Groc. 2nd pref.	120	150
Massey-Harris	25	30
Mount Royal Hotel, pref.	48	50
North Mexico Power, com.	15	17½
Robt. Simpson, pref. 6%	93½	
Dom. Comb. Mills (1 pref,2 com)	50	65
Loans and Insurance—		
Brit. Am. Assur.	6	7
Capital Life	22	25
Can. Mortgage	54	60
Continental Life	25	31
Crown Life	101.50	..
Excelsior Life	32.50	..
Great West Life	267.00	..
London Loan	44	48
Manufacturers Life	55.50	58.50
Mercantile Trust		100
Monarch Life, 10% pd.	11.50	15.50
National Life $25 pd.	70	..
Ontario Equitable	19	..
Peoples Loan	70	..
Sovereign Life	18	20
Sun Life 50% pd.	75	..
Sun Life 35% pd.	135	..
Sterling Bank	..	93
Trusts & Guar.	66	69

The Wabasso Cotton Company, Limited

THREE RIVERS, P. Q.

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---

Woods Manufacturing Company, Limited

Jute and Cotton Bags
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Paddings and Twine
Tents
Flags
Tarpaulins
Clothing and Cotton Fabrics

FACTORIES AT
MONTREAL, TORONTO, OTTAWA
WINNIPEG, WELLAND

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LIMITED

Manufacturers of

COTTON FABRIC

MONTREAL TORONTO WINNIPEG

Atlantic Sugar Refineries
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MONTREAL

Refineries - St. John, N.B.

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Denatured Alcohol (All formulae)

Canadian Industrial Alcohol Co. Limited
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Distributing Warehouses
Montreal, Toronto, Winnipeg, Vancouver

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LAKE OF THE WOODS MILLING CO., LTD.
Makers of FIVE ROSES FLOUR
Mills at Keewatin, Portage la Prairie, Medicine Hat
DAILY CAPACITY 13,700 BARRELS

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FRANK S. MEIGHEN

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DIRECTORS:
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Sir Lomer Gouin, K.C.M.G.

CANADA'S WATER POWERS

Abundant energy throughout Canada is still available for hydro-electric development, according to J. B. Challies, Director of Water Power of the Department of the Interior. Of eighteen million available horsepower, but three and a quarter million are at present developed, with three-quarters of a million under construction.

During the past ten years, while the population of Canada increased 22 per cent., the developed water power increased 100 per cent., and the use of hydro power in industry 245 per cent. An even greater rate of progress is prophesied for the future.

Iron and Steel

Dominion Bridge Has Prospect of Better Orders Ahead Now

Recently-Got Order for Bridge at Vancouver and New Montreal Bridge is Hanging Fire—Railways Are Buying More Freely

From Our Own Correspondent.

MONTREAL. — Dominion Bridge has come in for some little attention lately because of the possibility of the company being awarded the contract for the new south shore bridge at Montreal. This, however, is not a very firm basis for an important advance in the stock. while the tonnage of steel to be used in the structure would make a nice order for Dominion Bridge and would be the equivalent of several months' work at the present output. The order has not yet been placed. Dominion Bridge is more likely to benefit from further opening up of business expansion in Canada. It will be the succession of orders from new buildings, bridges, and other projects requiring structural steel, that will enable Dominion Bridge to really get somewhere close to capacity production at its plants.

An Order from Vancouver

Recently Dominion Bridge received the order for the 2,500-ton bridge across the Second Narrows at Vancouver, being built by the Northern Construction Company. This was welcome business in these days of fairly thin orders. Before the war, the railways were busy at bridge construction and maintenance. Tidy bridge orders came in with regularity. Then the railways stopped buying, and, until the past year, gave few orders for new bridge steel.

Basing conclusions upon the possible development of Canada in the next few years, there are many who look favorably upon Dominion Bridge common stock to-day. That shareholders are not ready to part with their holdings at anything in the nature of sacrifice price was indicated when apparently responsible interests endeavored a short time ago to obtain control of the company at $90 a share although the stock was at that time selling at a little over $70 a share. True it is, the interests offered an option only at that price but the fact that practically no support was forthcoming for the project from the shareholders seems to indicate that they are ready to wait for busier and brighter days for Bridge.

At that time the directors opposed acceptance of the offer and pointed out that the book value of the company's shares was $150 per share and the surplus of liquid assets itself totalled $63 a share.

Will Dominion Bridge stock come back to its former levels? That question is being asked by investors.

Here is one of Canada's greatest industrial corporations, a concern that has to its credit such monumental achievements as the world's greatest bridge; the steel work of the Empire's largest building; the world's fastest paper machines, and the world's largest paper machines. It is a company that has earned as much as thirty-five per cent. on its stock in a single year, and that has paid dividends on its stock as high as 20 per cent. Its shares have sold almost up to $250 a share. Yet today the stock hovers around 70; the earnings last year were just over the $4 a share required for the present dividend rate. Well may it be asked; will Dominion Bridge come back?

Dominion Bridge is in the business of manufacturing steel and iron bridges and structural steel. These are the chief products and allied products are also manufactured. Thus the company can provide the structural steel or framework for a large office building; the material for a railway bridge or highway bridge; cranes and traveling apparatus for shipyards and industrial plants. The plants also do general machine work; they manufacture steam boilers and turbines. Its principal plant is at Lachnie, near Montreal. and there are also branch plants at Toronto, Ottawa and Winnipeg.

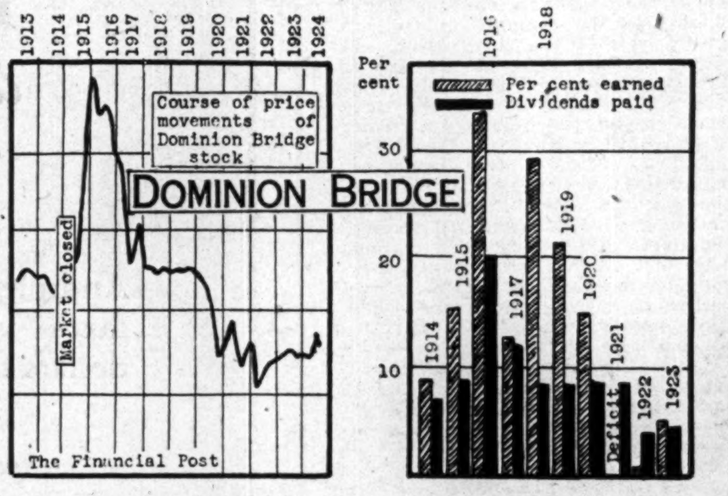
The company also controls the Dominion Engineering Works, which specializes in the manufacture of products closely related to two of Canada's basic industries, the pulp and paper industry, and the water power development. At another subsidiary, the Robb Engineering Works in Nova Scotia, boilers are manufactured. During the war it still further showed its versatility by the manufacture of boilers and ship plates for the United States government, and many other types of war material were manufactured. The company's earnings reached their highest level during the war.

Bridge Building Chief Business

But despite the wide variety of works being undertaken, the company's chief activities centre in bridge and structural steel, and the ups and downs of its fortunes are likely to follow closely in the van of the movement of bridge building, and broad scale construction in Canada. The Dominion Engineering Works subsidiary has not yet proven particularly profitable, although at times it has been very busy on orders for water power machinery and pulp and paper machines. The company has had to take a loss on its investment in Dominion Engineering, and this has probably been the chief reason for the stock followers' uncertain attitude towards the stock.

During recent years there has not been sufficient bridge construction work and building construction in Canada to keep the company's plants running anywhere near to capacity. While the plants have a total capacity of 120,000 tons of steel fabrication, the output in 1922 was only 45,457 tons, and in 1923 only 56,257 tons. The bridge-building industry is like too many other units in the Canadian iron and steel industry in being over-built. This means that there is a great deal of capital tied up in non-productive manufacturing units, and in the case of Dominion Bridge it must be admitted that much money is tied up in plants and equipment that is not earning its keep.

There is prospect now of considerable improvement. Bridge has some worth-while orders on hand. The plants are busier to-day than they were a year ago. Officials are reticent on the subject of forecasting the future, but are believed to be extremely optimistic. Perhaps Bridge is now due for a real comeback.



BESCO SHOULD BE ABLE TO COMPETE WITH U. S. PLANTS

Correspondent Sees This as the Outcome of Changes

From Our Own Correspondent

SYDNEY.—Although stalled off for a few weeks by the 12,000-ton rail order given by the C. N. R., the three months' closing of the Sydney steel plant announced about a month ago by President Wolvin, began in earnest this week, with the gradual cooling down of blast furnaces, open hearths and other departments.

General Manager Kelly's cleaning out process continues, and officials and men in various departments are being laid off either permanently or temporarily. Among the latest to resign are W. G. Wilson, superintendent of mills, and Allan D. Jost, assistant superintendent in the maintenance department. Others about to quit Besco are reported to be, W. H. Graham. construction superintendent. and J. K. Fraser, brick department superintendent.

Public opinion is divided on the subject. While personal friendships and contacts are being ruthlessly severed, there is a general feeling that sooner or later the official accumulations of years had to be cleaned out, and the plant put on a minimum staff-working basis. When this has been accomplished, Besco will be able to make steel cheaply enough to compete with United States and foreign mills, employment will be steadier, and the whole community will be in a healthier state financially.

The provincial newspapers are divided into two camps, the Liberals as a general thing supporting Besco. and the Wolvin plant reorganization scheme as a necessary and salutary operation; while the Conservatives have joined with the old McDougall faction of the company and call, in full-page articles, for the retirement of Wolvin, and the complete reorganization of Besco.

NATIONAL STEEL CAR ORDERS

National Steel Car has completed four steel cars, combination baggage and smokers, for Canadian National Railways. Except for the trucks the whole were made in Canada. Between June 18 and July 15, 400 steel box cars were built for the C. N. R., while six cabooses are being constructed for the T. & N. O.

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It is desirable that a business house make a very careful survey of the co-operation and facilities a Bank can offer before definitely placing its account. The selection of a Bank may be the determining factor of success.

The managers at all branches of the Imperial Bank are always willing to aid customers in their business problems and to co-operate with them to the fullest possible extent.

This Bank, with its numerous branches strategically placed throughout the Dominion, and associations with strong foreign banks, can offer the utmost of service in the transaction of business both domestic and foreign.

Inquiries from executives regarding our facilities and resources are invited.

IMPERIAL BANK OF CANADA

IMPERIAL BANK OF CANADA

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New Maritime Province Directories

¶ MacAlpine's City of Halifax Directory, 1924-1925 edition. Official, authoritative, complete and correct index to adults in largest city of Maritime Provinces and its suburbs. Published July 15; $10.

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NEW COPPER SHINGLE

The Anaconda Copper Mining Company will build a new plant at Rutherford, N.J., for the manufacture of copper-clad shingles. The new product will compete actively with wood and other shingles now in use for roofs of buildings, and the cost will be less than half of the regular copper shingles now manufactured.

Public Utilities

BUS SERVICE FOR LARGE CITIES TAKES HOLD IN THE U.S.

Big Corporation Proposes Aid to Traction Lines

From Our Own Correspondent.

NEW YORK. — Shareholders of Chicago Motor Coach Corp., having agreed to transfer their stock holdings to the newly formed Omnibus Corporation of America, and the New York merger, operating Fifth Avenue buses and the Chicago Corp., is now virtually complete. The Omnibus Corp. of America is capitalized at $40,000,000 and $16,000,000 has provided for the transfer of securities to the holding company, and $24,000,000 is to be used in building up new bus systems. John Hertz, chairman of the board, says they have extensive plans. Surveys are being made in seven American cities with a view to finding out whether or not it would be feasible to establish bus systems. In each case the Omnibus Corporation is co-operating with the local traction interests. They do not believe that the day of the trolley is ended but regard the bus as a means of supplementing the present transportation facilities of the cities, both steam and electric.

Two cities have already agreed to permit the corporation to organize bus systems. In addition they have about completed arrangements for the operation of a bus system between two large American cities, some 300 miles apart.

Buses Replace Cars

Following the withdrawal of three electric street railway companies in Portsmouth, Va., five motor bus lines have been established by an association of citizens. In addition four negro lines have been established by an association of negro citizens. All the lines have now been operating over two months and have proved profitable and satisfactory from the point of service. Portsmouth's transportation crisis came when the Virginia Railway & Power Company presented figures to the Virginia State Corporation Commission to show that for years the city's trolley lines has been operated at a loss. While the commission as a result permitted several cuts in the company trolley service even this did not save it from financial ruin. On June 1 it was compelled to cease operation entirely.

Some years ago the city put a ban on the jitney transportation and encouraged the formation of an association of local business men to be known as the Portsmouth Bus Operators' Association. The association was so organized that the buses were operated by their owners or their representatives and were assigned routes by the association. The trolleys had been operated in Portsmouth on a six-cent fare. The new bus lines are being operated on the basis of a five-cent fare on short runs and a seven-cent fare on long runs. The five-cent routes range from 1.25 miles in length to 3 miles while those upon which a seven-cent fare is allowed are five miles in length. Schedules are obligatory and the city officials are empowered to insist upon them being maintained.

CONDEMNS WATERING POWER SECURITIES

British Financier Says Improper Financing Leads to Demand for Government Ownership

From Our Own Correspondent

MONTREAL. — Criticism of the system of financing water power enterprises by the issuance of bonds with bonuses of common stocks comes from Sir Ernest Harvey, a British financier. Discussing the relation of the British investor to power investments in Canada, Sir Ernest says that on this side of the Atlantic new construction is usually financed by unsecured bond issues and the subscribers are tempted by a present of common stock which in most cases represents nothing but water to be turned into wine if the most sanguine hopes are realized. This device of tempting the investor by offering him two gambles, none or one or both of which may come off, has undoubtedly collected an appreciable amount of money for power development, but there is an objection to this method because the greater the success the greater the argument for public ownership, as the cost to the consumer of power includes the payment of substantial dividends on a lot of stock for which no cash has been paid, and which is not represented by any asset. Most people agree that private management is more effective than government management, that better service is insured and that some graft and nepotism is avoided, but obviously the public can only get service at the lowest price if the capital account of the power company only represents the actual expenditure on the work plus the most reasonable allowance for expense of investigation and promotion.

Sir Ernest states that British investors will soon be able to send more money abroad for investment.

"England has always had a bad press, her own press, and England has always maintained a fine record of improvement in social conditions and in trade conditions. She has never failed to support the Empire financially, and she has backed a winner. Those years in which England has advanced most money to her dominions and colonies have been the years of the greatest English trade activity.

"The stress of the great war has been severe on all members of the Empire, but it has been bravely borne. Pluck lightens all burdens and there is still plenty of pluck to draw on which will secure within the Empire the finance of power development and many other ventures.

"It must not be forgotten that easily borrowed money often spells misfortune to the borower by encouraging expenditure that should not have been incurred. The difficulty of financing has prevented the construction of power plants in areas where there is no market for power. Wild cat schemes may enrich unscrupulous promoters and engineers, but they embarrass justifiable and necessary development. It is an advantage to the dominions and colonies that monetary conditions after the war have made it impracticable to finance any but the soundest enterprises."

SAY NON-COMPETITIVE UTILITY DESIRABLE

Montreal Power Puts It Up to Employees to Show Public the Advantages

From Our Own Correspondent

MONTREAL.—A frank letter to employees has been sent out by Montreal Light, Heat and Power Consolidated, asking the staff to show that non-competitive public utilities can maintain high standards of service.

The letter accompanies a copy of the letter sent to clients of Quebec-New England Hydro-Electric Corporation, announcing the taking over of that company's business by Montreal Power.

The letter says in part:

"The mass of people, however, through lack of familiarity with the financing and operation of a public utility, also with the considerable benefits accruing to it in many respects, is regarding with a certain suspicion a public utility without competition, a condition in which we find ourselves now in a large portion of the territory served.

"With the consolidation of the Q. N. E. H. E. C. and our own company, the public cannot obtain elsewhere that essential service which they have to have from us, a fact which imposes upon every person in our company an obligation and opportunity to prove that we are fully alive to the duties we owe to our clients.

"We must all strive at all times to be even more courteous, accommodating and mindful of good service than we have been in the past; the co-operation between the departments must be still closer than heretofore; complaints of the users of our services must have immediate and thorough consideration, no matter how small they may be. We must bear constantly in mind that it is up to us to prove to the public that non-competitive public utility service is desirable and advantageous both for individual users and for the community."

Ottawa Light Pref. to be Listed at Montreal

Plans are being made to list $1,500,000 of new 6½ per cent. preferred of Ottawa Light, Heat and Power Co. on Montreal Exchange next month. This stock was sold a year ago by Royal Securities Corp., a large proportion being taken up by the customers of the company, under the customer-ownership plan, while the balance was given wide distribution among investors. Proceeds derived from the sale were used to retire the $1,300,000 of 8 per cent. and 6½ per cent. bonds then outstanding, and this issue took precedence in place of the bonds over the common stock, which is listed on the exchange.

MONTREAL POWER

A recent copy of the staff magazine of Montreal "Power" says of the company's gas business:

"There is now being installed at La Salle Works a complete additional gas works for the manufacture of 8,000,000 feet of water gas daily, thus doubling the present gas-making capacity at La Salle.

"While the sale of gas is our primary business, we incidentally make thousands of gallons of tar which goes into good roads and good roofs, hundreds of tons of sulphate of ammonia which goes to fertilize the rice fields of Japan, the sugar fields of Cuba and the potato fields of New Brunswick, and greatest in quantity, 150,000 tons yearly of genuine gas house coke 'the silver grey fuel.'

"From the works the gas is pumped out through a high pressure belt line system of thirty-six miles of pipe, from which the low pressure system of 430 miles of main is fed.

"The growth of the gas business has been rapid and continuous as shown by the miles of mains in use:

Year 1910—167 miles of mains.
Year 1920—292 miles of mains.
Year 1924—466 miles of mains.

"And to this will be added during 1924 six miles of 20 in. high pressure mains and about thirty miles of low pressure mains to supply new consumers."

MAY BUY MORE BUS LINES

Twin City has further plans to eliminate bus competition by absorption and plans to war on other bus lines by operating buses of its own as feeders for its street cars. Two bus lines operating 30 buses may be taken over and if not, competing lines set up.

BARCELONA CHANGES

Canada Gazette carries announcement of the changes in Barcelona capitalization. There is an increase in capital stock and decrease in par value. Authorization is given to increase the stock from $42,500,000 to $60,000,000 by an issue of $175,000 additional 7 per cent. non-cumulative participating preferred, par value $10. The decrease from $60,000,000 to $45,000,000 is achieved by cutting the par value of the ordinary shares from $100 to $50.

ALABAMA POWER EXPANSION

Alabama Power Co. will take on a material increase in its power load by the purchase by Mississippi Power Co. of a number of Missisippi utility properties. The capital for this expansion has already been obtained.

Sao Paulo Damage May Reach $7,500,000 Mark

Commercial damage in Sao Paulo, including material and equipment, is being estimated at between $5,000,000 and $7,500,000, according to the United States trade commissioner in his report to Washington. A moratorium for 45 days has been passed by the Brazilian government to apply to Sao Paulo, and by it all commercial bills and other are extended 45 days. The rebels are now out of the city, and normal conditions are fast returning.

Says Buses Can Never Displace Street Cars

In light of the discussion now going on in regard the possible ousting of steel railway systems by motor buses, operating manager McGill, of Twin City Traction, makes some interesting comments. His view is that buses never can supplant electric street cars in the Twin Cities, because of the great number of persons accommodated on street cars every day. To-day a street car rider in Minneapolis is able to travel nearly 10 miles for 6 cents. No bus could operate on such a fare, jitneys would function only in taking the cream of the short haul business and penalize the outlying districts. His picture of conditions in the Twin Cities is much the same as any other city so that if he is right, his argument should hold good for all cities.

Pulp and Paper

TRYING TO GET U.S.A. AS MARKET FOR MORE PAPER

Would Help Our Wrapping Mills — Conditions in Industry

From Our Own Correspondent.

MONTREAL.—It is learned that some leaders in the pulp and paper industry are taking up quietly the question of inducing the United States to lift the duties on Canadian wrapping, book and writing papers. The paper industry in Canada has looked to Ottawa to utilize the threat of an embargo or export tax on pulpwood shipments from this country as a lever to gain free access to the American market for our papers, but as no move has been made by trade department officials, individual paper men are looking into the question. If such a concession could be obtained, in exchange for which Canada would insure the United States mills of all the pulpwood they want without restrictions on export, the prosperity of the Canadian book paper and wrapping paper mills would be at once established.

No Substantial Improvement

There has been no substantial improvement in world's market for kraft pulp and paper during the past few months, and as a result, the shareholders in Canadian companies manufacturing these products cannot look for any substantial improvement in earnings this year.

Europe is not consuming its usual quantity of kraft and wrapping papers, due to unsettled economic conditions on the continent and the Scandinavian paper pulp and paper mills have lost most of their European market.

As a result a great deal of European pulp and some paper is being thrown on the United States' and other markets at very low prices. Some of the Scandinavian kraft mills have very low costs and are selling their pulp at prices that are hard to meet.

Dryden's Situation

The situation has made it difficult for Dryden Paper Company to bring a profitable state of affairs out of its present receivership. Dryden's machines have been closed down for a few weeks and will not open up again until September first. Advantage has been taken of the shutdown to effect repairs and extensions to the plant, but these have not been of an important nature. The real reason for the shutdown is the weakness in markets for the company's products.

Effect on Wayagamack

Wayagamack, another leader in the kraft industry, has been keeping its plant running, the pulp mill on full time and the paper machines at 75 per cent. It is not believed that the company is making a great deal of profit at the present time, although its sales are holding up well due to the excellent reputation it has built up for a product of exceptionally high quality, and the earnings should be as good as, if not better than last year, when 4 per cent. was earned.

One of the difficulties Canada faces in the building up of large kraft paper industry is the fact that the semi-finished product, pulp, has access to any market in the world where competitive prices can be met. But the finished product, paper, must find its market in Canada and in foreign countries. The biggest market and the logical market for Canadian kraft paper is the United States, and it is not open to Canada. If Canada were able to get the southern market for its kraft wrapping paper it could build its wrapping paper industry almost as gigantic as it has made its newsprint industry.

Getting the U. S. Market

Canadian kraft paper is charged with a duty of about 35 per cent. when entering the United States, and this effectively eliminates Canadian competition in that field. A good deal of Canadian kraft or sulphate pulp goes into the United States, but none of the finished product. The mills manufacturing wrapping paper, such as Wayagamack, Dryden, Eddy's, etc., find their market in Canada. Wayagamack has established itself throughout the world, and now sells to nearly every country on the seven seas. Brompton meets the situation by having its finishing mills in the United States, which absorbs the pulp made in the Canadian mills of Brompton. St. Maurice Paper Company manufactures sulphate pulp, but it ships the pulp to the United States, where it is finished in the paper mills of the parent concern, the Union Bag & Paper Corporation.

It has been effectively argued that Canada should use the suggested embargo on pulpwood to bargain with the United States for free entry for all our paper into that country. Undoubtedly it would be the making of the Canadian kraft and wrapping paper industry to have access to American markets. Such a company as the Dryden Company which now has a daily capacity of 75 tons of kraft pulp and 50 tons of kraft paper could add another machine to manufacture all this pulp into paper in Canada and yet readily market the entire product at a profit. Brompton could build paper machines in Canada and St. Maurice also. Wayagamack would add at least another paper machine.

Continental Going Ahead

In the same connection it is of interest to note that the Continental Paper and Bag Mills, through its Canadian subsidiary, the Canadian Wood Products Company, is going ahead with its plans for establishment of a kraft pulp mill at Elsas, in Northern Ontario. Surveys are now being completed and ground will be broken early in 1925 for this mill, which will have a daily capacity of about 100 tons of kraft pulp. The pulp will be shipped to the mills of the Continental Paper & Bag Mills in the United States, but were there a free market for Canadian wrapping paper in the United States it is certain that a paper mill would be built alongside the pulp mill at Elsas. But under present conditions there is little likelihood that this will be done.

The development of the kraft paper industry in the southern United States is not without interest to Canadians. The southern United States has a great deal of wood of the sort that makes good kraft pulp, and paper-makers in the United States are freely prophesying that within a few years the kraft paper industry of that country will be concentrated in the southern states. These new mills only add to the competition Canada must meet, and undoubtedly will make it more difficult for Canada to obtain free entry for its paper into the United States because it gives a larger number of American mills to demand protection.

PULPWOOD REPORT BROUGHT JOY IN U.S.

Canadian Mills at Disadvantage as Regards Coal Supply and Export Markets

From Our Own Correspondent.

OTTAWA.—The American comment on the Pulp Wood Commission's report is being read here with much interest, for it makes possible the getting of a line on the opinion held by that trade over there.

"Paper," a pulp and paper trade journal, published in New York, says:

"There is joy among the paper manufacturers of the United States for the report of the Canadian Pulpwood Commission, just out, does not recommend the placing of an embargo on exports of pulpwood."

"This is one spot of hopefulness in the entire paper situation. Perhaps it is the rainbow in the sky after the storm. May the sun now come out."

A sidelight on how vitally the pulp and paper plants of Northern New York are affected by this subject is thrown out by a report on the pulp and paper industry for 1923 issued by the Watertown Chamber of Commerce, the author of which in his statement says:

That seven mills reported the consumption of 11,763 cords of pulpwood from New York state and 27,779 cords imported from Canada. The disparity says "Paper," is significant, and prompts the author to say that "evidently American and Canadian tariffs on both wood and finished paper are of chief concern at present."

Touching on the possibility of the American pulp and paper industry moving to Canada, the report says:

"Whereas a mill located here must import a large amount of wood from Canada or Europe, the Canadian mill must import a great volume of coal from the United States and the finished product, which is heavy and requires a considerable freight charge, would be many miles further from its market."

PRICE BROTHERS

What is said to be a record output for one newsprint machine was made at the Kenogami mill of Price Bros. & Co. recently, when on No. 6 machine in twenty-four hours, running at 770 feet per minute with a trimmed roll of 219 inches on 32-pound basis newsprint 106.6 tons was actually produced. Five minutes was lost through four wet-end breaks in the twenty-four hours. This represented 98.4 per cent. of a total possible production of 108.3 tons.

Better Lobster Prices in the British Market

LONDON.—It will be recalled that last season was a somewhat disastrous one for Canadian exporters of canned lobster to this country. The demand for this article is mainly confined to the summer, and it unfortunately happened that the prolonged dock strike which took place here last year held up the arrivals of the Canadian new pack until the season had nearly ended, with the result that when the lobsters were finally delivered, it was impossible to effect sales. The consequent position was that for some time the market was overstocked, with no buyers.

Now that the new Canadian pack is commencing to reach this country, it has been thought useful to review the situation, when we are informed by a leading importer that prospects for new season's supplies are very promising, and that consignments which have arrived are realizing good prices.

C. P. R.

Week Ending August 7

1924	3,036,000
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News of the Mines for the Investor

KIRKLAND LAKE AND GOWGANDA ISSUES FEATURE TRADING

Volume Increases, Indicating End of Holiday Season

Short spurts upward marked the week's trading on the Standard Mining Exchange. Gowganda and Kirkland Lake shares have been in the fore-front. The volume showed a tendency to increase which is taken by brokers to indicate that the end of the holiday season is approaching. The interest in Gowganda involved the three listed stocks of that camp. Capitol was prominent due to a report that shaft sinking indicated that the contact zone where silver values are to be expected, will be reached much sooner than expected. Buying was in anticipation of such a development. A couple of large orders were placed. Castle has been quite active for the past couple of weeks. The company is reported making excellent progress. Everett which sank to below 3 cents when the property closed, rose to within a fraction of six cents on a report that surface work was to be done on the property. It is believed that it will not be long before developments will be resumed.

Wright-Hargreaves and Lake Shore are holding strong. The shares of these mines are closely held and any sizable orders causes a flurry. brokers say. Teck-Hughes and Tough-Oakes-Burnside both scored advances. Reasons back of the Teck-Hughes interest are explained elsewhere on this page while the interest in Tough-Oakes-Burnside is due to the highly favorable reports coming out in regard development and the fact that the mill is to be started next month.

Lorrain and Cobalt issues have been marking time somewhat with the exception of Canadian Lorrain which showed a good advance on the announcement that high grade ore had been cut. In Porcupine shares of the large producers remain stationary, with Hollinger in steady demand. Announcement in regard the consummation of the power deal is being rather impatiently awaited.

Hattie Shareholders Approve Refinancing

Hattie shareholders have approved raising the capitalization to $10,000,000, from $5,000,000. The new issue of $5,000,000 will be made up of $2,500,000 7 per cent cumulative preferred and a similar amount of common. The new will be sold at 60 cents a unit, one preferred and one common. Old shareholders can immediately exchange into new shares on a basis of one preferred and one common for every 10 now held with another share of common when the pool breaks, or one preferred and one common for every 5 held if pooled to December 1925. Thus the benefit of entering the pool is one preferred share. It was said that the development program would involve $7,000 monthly.

EVERETT DIRECTORS DO SURFACE WORK

Some Promising Veins Are to be Opened Up — Shares Quite Active

Many have found it difficult to see the point of view which led to the closing of Everett, at Gowganda. The reason given was that it was intended to await developments on the Castle. Recently, however, some of the heads of the company decided to spend a little of their money on surface work. It is proposed to have a series of veins, known to exist and holding favorable possibilities opened on surface. There is an east-west vein well defined and located on which no work has been done. It is white and grey calcite with disseminated copper, the latter always favorably regarded by the prospector as an associated mineral when looking for silver, besides there are numerous veinlets of promise intersecting. Also there is a wide, untouched area of sheard diabase, in vicinity of Miller Creek at the north end of claim 106. This claim and 102, the latter being the claim most of the underground work was done on, in one corner only, are the principal ones for the present work. Little is known of the other two making up the 161 acres, except that a contact on the foot wall exists of Keewatin and diabase. No. 102 adjoins Castle on the west and is well trenched. The first Castle shaft was on the line and Everett worked through this. In this work not sufficient information was secured to decide one way or another, the ore body, in which native silver was found in the calcite stringers filling the vein at present has the appearance of exceptionally good mill rock. It appears that the ore shoot was only edged on when the work was shut down. About 600,000 shares are in the treasury and a little cash.

Gowganda prospector writes that the property is well regarded there by men who know the field. They criticise the Everett for shutting down. They make the point that Castle and Miller Lake O'Brien got their values much deeper than the shallow Everett workings. The above decision resulted in quite an active market for the shares this week.

HAYDEN CUTS VEIN

It is reported that a diamond drill on the Hayden, in Delora Tp., Porcupine, at 715 feet vertical depth, sank at an angle of 50 degrees, cut 10 feet of ore assaying $10.40. The indicated width of the ore body is 40 feet.

TECK-HUGHES STRENGTH

Surplus Piling up and may not Need to Issue Treasury Shares

The strength in Teck-Hughes is said to be due to the fact that the company may not have to issue the some 500,000 shares in its treasury to finance the sinking of its new shaft and for the construction of its new mill. Earnings, the way they are said to be keeping up, may do this. It is said that this month will see company's surplus well over $600,000 with all development commitments, including the new shaft cost to-date, taken care of. At this rate the company is adding materially to surplus while facing heavy development charges and may thus be able to finance the new mill out of earnings. Mill construction is generally estimated at $1,000 per ton daily capacity so that the company's present surplus would pay for a 600-ton mill.

Quick Profits Made in Syndicate Mine Deal

Shareholders of Thorburn-Tough syndicate recently gathered in some quick profits. They bought shares in the syndicate $100 each. Six claims were staked in Temagami and the money was to be used to do surface work and prepare them for sale. Hardly any time elapsed before the claims were turned for cash and the syndicate members got $200 for every $100 put in. The Montreal-New York group who bought them got a good deal for a surface discovery, afterwards made, gave the property a value of double what was paid for it.

Clifton Preparing to Sink in South Lorrain

Ontario Gazette announces that the charter of Clifton Porcupine mines has been surrendered. All shareholders have transferred into the new company, Clifton Consolidated, which was formed to operate a new property in South Lorrain. The company is preparing to ship its mining equipment from Porcupine to South Lorrain. In the meantime the active surface exploration has continued. A shaft site has been chosen and a head frame erected and sinking should start in September. The spot for the shaft is a strong "break" in the Keewatin about 300 ft. from the contact. It is hoped to reach the contact at a depth of about 250 ft.

REVIVE THE NOVA SCOTIA GOLD MINES

Forty-Five Years Ago Halifax Business Benefited Greatly From This Industry

The revival of gold mining in Nova Scotia is being steadily agitated: many leading business men of that province think the time opportune. F. J. Cragg, Cragg Bros. Co., Halifax, paints a good picture of the gold mining industry which thrived 45 years ago, and what it meant for business. He writes:

"When I think of what the gold mines of Nova Scotia meant to the trade of Halifax when I was a boy, I cannot but regret the infirmity of the industry at the present time. I remember 45 years ago there were at least a dozen different gold mines in operation in East Halifax and Guysboro, and pretty nearly half as many more to the westward of Halifax. Tangier and Goldenville were at the height of their gold production about that time, and I can remember how every week sailing packets from Halifax for both these ports sailed away laden with supplies and mining equipment of one kind and another. Other mining camps in East Halifax and Guysboro at that time or later were, Waverly, Montague, Petpeswick, Mooseland, Fifteen Mile Stream, Salmon River, Wine Harbor, Crow's Nest, Cochrane Hill, Country Harbor, and Isaac's Harbor, and they all contributed both directly and indirectly to the business of the Halifax wholesale houses of those days.

"The question is, can this old-time gold mining industry be revived? I confess I had almost made up my mind that it could not. But now if the opinion of the editor of the 'Canadian Mining Journal' is not too optimistic, it would quite appear that it can. And if it can, then there should be an especial effort on the part of the Nova Scotia Government as custodians of our minerals, to bring such revival about. I might further say, that there has never been a time in my recollection when the need for new ways of making a living in this province was greater than it is to-day."

TAKE UP GOWGANDA PROPERTY

The Bartlett and Crews-McFarlan claims in Gowganda have been taken over by the Hercules Silver Mines, Ltd. Surface exploration is being carried on and underground workings are being pumped out in preparation for examination.

MAKING GOOD PROGRESS

Porcupine Davidson shaft has passed the 775-ft. mark. The old workings have been located by diamond drill from the new shaft. These workings are now being dewatered and when complete a cross cut will be run to connect both workings. Water flows interfered somewhat with shaft sinking.

NIPISSING PRODUCTION

Nipissing mined ore of an estimated net value of $167,917 and shipped bullion of an estimated net value of $206,713. During July there was no production of cobalt for the month. The price of silver was limited at 68½ cents an ounce, an increase of two and a half cents over the month of June.

EXAMINE COOPER CLAIMS

Kirkland Lake Proprietary is exploring the Cooper claims in McVittie Township. These claims are about three miles northeast of the Crown Reserve. Promising discoveries have been made.

STUDY OF CANADA'S PRE-CAMBRIAN AREA NOW BEING URGED

Responsibility of Deposition of Minerals Being Placed

Upper	Kaweenaw	igneous
	Animikean	sed.
Middle	Algoman	igneous
	Matachewan	
	Haileyburian	
	Temiskaming	sed.
Lower	Greenville and	sed.
	Laurentian	
	Keewatin	

The above construction period of the Pre-Cambrian of Canada was outlined to the British association, for advancement of Science, geological branch, by Prof. M. B. Baker, Queen's. He said that two great ranges of mountains, probably greater than the Rockies were gouged off the surface of the continent. The surviving rocks of this Pre-Cambrian age take up a great portion of Canada,

Following this Pre-Cambrian period igneous rocks of enormous volume were poured over the surface and included in the rocks of this later vulcanism and country rocks adjacent are to be found the copper, nickel, silver and cobalt. During a second igneous upheaval the gold of Porcupine, Kirkland and other areas were deposited by being squirted up inside the mountains.

His conclusion was that the Pre-Cambrian development must be preceded by the delineation of the highly differentiated igneous rocks which mark the end of the middle and upper divisions of the Pre-Cambrian geology age. This preliminary survey will have to be followed by intensive and careful exploration of the points of contact of the metallic igneous regions, and the neighboring country rocks.

Prof. Baker referred at some length to the Algoman granite and its responsibility for the deposition of the gold values. In this connection, Dr. C. V. Corless in addressing the Royal Society of Arts, London, said:

"The recognition of the Algoman granite as the origin of the gold in this area seems to be of the greatest importance in the economic interpretation of the pre-Cambrian as a whole. For, to the prospector and the mining engineer, the large areas of granite and gneiss in the pre-Cambrian have, heretofore, been anathema. This discovery is indeed of profound significance and may revolutionize economic views of large areas of the pre-Cambrian. Up to the present there are very few localities where Laurentian and the Algoman granites have been separated. It must, indeed, be extremely difficult in most cases to separate them. Yet, if the gold in the Porcupine area is derived from the Algoman granite and is associated with derivations (residual quartz veins, dikes, etc.), from this granite, the importance of this discovery and of making the separation between the two granites as rapidly as possible, can hardly be over-estimated."

BIG MISSOURI REVERTS

Syndicate Fails to Meet Fourth Payment of the Property

The Big Missouri mine in Salmon River Valley, Portland Canal district, has reverted to the orginal owners, Dan and Andy Lindeborg of Hyder, Alaska, after being held by the Woods-Trites-Wilson mining syndicate under a working bond for the past two years. The fourth payment, amounting to $43,000 was not made. Thirty-seven thousand dollars in payments had been made by this syndicate. Negotiations with another mining group are reported to be under way.

SILVER AND OTHER METALS

Silver—	11	12	13	14
London (d.)	34⅝	34 1/16	33 13/16	34 3/16
N. Y.	69⅛	69	68⅝	68¾
Copper	13½	13⅝	13⅝	13¾
Lead	7.75	7.75	7.75	7.75
Zinc	6.10	6.15	6.17	6.17

MINING STOCK QUOTATIONS WEEK ENDING AUGUST 12

	High	Low	Close Aug. 12	Close Aug. 5
Argonaut	38	36	36	37½
Atlas	3⅞	3⅞	3⅞	4
Baldwin	2¼	2	2	2
Beatty	8½	3½	3½	3⅜
Beaver	14	13¾	14	13¾
Bidgood	6½	6¼	6½	6⅜
Buckingham	3¾	3¾	3¾	4¼
Can. Lorrain	62	56	61	54
Capitol	37½	34½	35½	33
Castle Tret	79	76	76½	77
Clifton Con.	13½	13	13	14½
Coniagas	1.20	1.20	1.20	1.20
Cons. Smelters	39	38	39	39½
Cons.W.Dome.	20¼	18½	18½	19
Crown Reserve	53½	51	51	54
Dome Mines	16.00	15.60	15.75	15.65
Dome Kirk	1	1	1	1
Everett	5½	3¾	5½	3⅜
Gold Reef	1½	1⅜	1⅜	1¼
Goldale	19	18	19	19
Hattie	4⅜	3⅞	4	4¼
Hillcrest P.	83	83	83	80
Hollinger	13.95	13.75	13.90	13.95
Hunton	12¼	10	11	10½
Inspiration	10	10	10	10
Indian	13½	12¾	12¾	13
Keora	12	11	12	12
Keeley	2.29	2.26	2.29	2.26
Kirk Lake	18½	18½	18½	19
Lakeside	13½	10	10¼	13½
Lake Shore	3.97	3.91	3.95	3.92
Lorrain T.L.	1.35	1.30	1.35	1.30
Lorrain	19	17½	19	18½
McIntyre	16.15	15.75	15.85	15.75
McKinley	11	10½	10½	10½
Mining Corp.	2.45	2.35	2.45	2.40
Montreal-Ont	7	7	7	7
Newray	20½	20	20	20½
Nipissing	6.08	6.00	6.00	6.08
Night Hawk	37	35	37	35
Ophir	4½	4	4	3⅜
Preston E.D.	11⅜	11⅜	11⅜	11¾
Porc. Crown	6½	6½	6½	5¼
Pete Lake	9⅜	9⅜	9¾	9½
Teck Hughes	133	121	129	121
ThompsonKrist	1⅜	1⅜	1⅜	1¼
Timiskaming	18½	18	18	18
Tough-Oakes	60½	56½	60	57
Tretheway	15	13¾	13¾	14¾
Skead	19	17½	17½	19
Vipond Cons.	104	101	103	102
Wasapika	2	2	2	2
West Tree	4½	4½	4½	4¾
Wettlaufer	22¾	22½	22¾	22½
Wright-Har	3.80	3.60	3.80	3.00
New York Prices				
Int.Nickel,com	18¾	17½	17⅜	19⅜
Oil Companies				
B.A. Oil	34	33¾	34	33¾
Imperial	105	102½	105	103½
Inter. Pet.	20	19½	19½	20½
Mutual	11⅜	11	11⅜	11
North Star,pref	3.50	3.25	3.25	3.50
Volcanic Oil	85	85	85	80

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HIGH GRADE BROUGHT OUT BY PACK TRAIN

Portland Canal Operators Have Difficulties Shipping Product to the Smelter

The trail up the north fork of the Marmot, and to the Porter Idaho property in Portland Canal District, B. C., has been completed and high-grade ore is now being packed down the hill and accumulated at the beach for shipment. Seventy-five to eighty tons of ore averaging around $200 per ton has been extracted, sorted and sacked at the mine, awaiting transportation, giving the pack train a good supply to start with and eliminating any delay. Similar ore is being mined in the upper and lower tunnels as fast as the pack horses can take it down the hill, assuring a constant supply until snow precludes the use of horses, and the management's estimate of shipping 300 tons this summer is in sight of consummation.

The ore will be packed to the beach, there loaded onto a scow and transferred across the canal to the dock for shipment to the Tacoma smelter.

In order to facilitate the trail work the management built a mile of trail themselves, which was completed last week. The men there employed are now back at the mine, making a total number of ten men actually engaged in mining operations. The lower tunnel, which was started this spring, ran into the same phenomenally rich ore encountered in the upper tunnel and two shifts are now extending it, while another shift is stoping ore in the upper tunnel.

Hollinger Mine Waits on Mill and Power

Hollinger mine is said to be in shape to provide 8,000 tons to the mill daily. The mill which has been handling around 5,000 tons will now be quickly finished up so as to handle this tonnage. The company will soon have its powerline ready and will send energy north to the power site to help expedite work there and the power operation and mill enlargement will be complete about the same time. Th central shaft, now down 2,000 ft., will be down a half mile by the end of year and is to go to 3,200 ft., at a depth of 3,050 ft. drills have cut two veins on the Schumacher. Geological structure remained unchanged.

A Map of the Mining Districts That Will Help You
If you are interested in knowing the exact location of any one of the nineteen distinct mining areas in Northern Ontario and its relationship to any other district, a glance at our latest and most complete map will give you the information.
It shows both Gold and Silver areas and marks the location of the principal mines in each district.
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McINTYRE IN ROUYN

McIntyre is reported to have entered a deal for acquisition of Gamble-Bathurst claims in Rouyn, Que., for a million dollars.

LORRAIN CONS. MAKES PROGRESS

Two important developments have occurred at the Lorrain Consolidated within the past few days. No. 2 vein going west, and close to junction with the Belle Ellen vein, has developed five inches of smalltite. The north crosscut driven from No. 2 vein has at 85 feet in cut the No. 3 vein and shows two and one-half inches of smalltite where cut.

Current Events in Banking World

BANKERS SHOULD KNOW COSTS IN MAKING CHARGES

Customer Willing to Pay Fair Price for Service

An accountant not long ago stated that one of his clients had been making some small parts of machines for another house, charging 50 cents a piece. When a cost system was put in it was found they actually cost 52 cents to make. So when the next order for a half-dozen came in, he made the price 90 cents. The purchaser afterwards laughed and said he had been wondering all along at the low price, as when he had had them made in his own shop the cost was $1.25.

One important part of a bank's service to its customers is the handling of items entrusted to it for collection. This service should be sold at a price based on the costs involved. When advances have been made against the items so deposited, they are hypothecated to the bank, which, in such case, will have the rights of a mortgage in possession of the property mortgaged, and will be under the same necessity of accounting to the owner for the proceeds. When, however, the bank takes the items for collection, and to account to the owner therefor the bank has no title to the bills—it is merely an agent. For this service a charge is made. The Act limits the amount of commission which a bank may charge on a bill discounted by it to one-eighth of one per cent., when the item is payable at a point at which it has a branch, and to one-quarter of one per cent. when the item is payable elsewhere, but nothing is said as to charges on items lodged only for collection. However, competition has reduced these charges to a minimum. So small are they that unless there is an adequate volume the profit to the bank will be eaten up by the cost if the overhead is taken into consideration.

The bank is responsible for the safekeeping and due presentment of the items. It must observe the owner's instructions and account to him for the proceeds. It is in fact dealing with the property of another party. To get at all the costs it must have accurate records, to ensure the correctness of these requires proper checking by senior officers. Taken altogether the bank fully earns its small commission on such business. This is one reason why banks should install accurate systems in order to be able to prove clearly to their clients just what the charges cover. People as a rule are fair, and willing to pay a fair price for what they want, provided they are sure no one else is getting lower rates.

Staff Gossip

H. H. Reid, manager of the Standard Bank, is taking his annual vacation. Mr. Joyce, of Deseronto, is relieving teller while Mr. Lumsden assumes Mr. Reid's duties.—The Standard, Forest, Ont.

• • •

J. W. A. Jordan, Alliston, Ont., is among the first graduating class of bank clerks to successfully complete the special course in banking prescribed by Queen's University. It extends over three years. Recently, Mr. Jordan, employed in the Bank of Montreal, at Alliston, wrote off the final examinations and this week received word that he had been successful.—The Whig, Kingston.

• • •

Jos. H. McLellan, now of Ottawa, is an old timer who has made good. Mr. McLellan was not born in Oshawa, but in Bowmanville, but his family has been so prominently identified with farming and business conditions in this vicinity that he can very well pass as an Oshawa boy. Mr. McLellan opened the first branch of the Dominion Bank in Whitby and a year later came to Oshawa where he opened the local branch and remained its manager for some nine or ten years. His early experiences in Oshawa date back fifty years, and no man in the city is more familiar with the big business men of the last generation than Mr. McLellan. He has an excellent memory and remembers all the men and incidents of a half century ago as vividly as if they happened yesterday.—The Reformer, Oshawa.

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J. R. Dier, manager of the Owen Sound branch of the Union Bank of Canada, received word on Tuesday afternoon from the head office of the bank in Toronto, that he had been promoted to the managership of the Belleville branch of the bank, and he left Wednesday afternoon for that city, and will take over his new duties immediately. While there will be general regret throughout Owen Sound with regard to the transfer of Mr. Dier to Belleville, his host of friends and well-wishers here will extend their congratulations and he will carry with him the very highest regards of not only the customers of the bank, but of the citizens at large. Since coming to Owen Sound nearly three years ago from Charlottetown, P.E.I., Mr. Dier has taken a sincere interest in anything and everything which pertained to the welfare of the city, and he will be greatly missed, not only in business circles, where he occupied a high place, but also in sporting and social circles. He was particularly interested in hockey, and was one of the gentlemen responsible in a great measure for the success achieved by the champion Greys last seaon. He took a personal interest in the players and owing to his long experience in connection with hockey was able to offer sound advice and counsel which was most valuable. He has seen eighteen years' service with the Union Bank of Canada, and is considered one of the most able managers on the staff. His removal will be a decided loss to Owen Sound in many ways, but Belleville will be the gainer. His successor in Owen Sound has not yet been announced. — The Times, Owen Sound.

Banks Plan to Cut Interest on Deposits

WASHINGTON.—Fostered by the Federal Reserve Board, there will be a general effort on the part of American banks to reduce rates of interest paid on deposits. The present low level of interest rates paid by borrowers has reduced the net earnings of banks to such an extent that a commensurate reduction in operating expenses is regarded necessary. The position of the comptroller of the currency has also been in opposition to high interest rates on deposits.

It will be remembered that some time ago the Federal Reserve Board called a conference of representatives of every district, the purpose of which was to invite attention to the unsoundness of high rates on deposits. Governor Harding of the Federal Reserve Bank of Boston, then governor of the board, addressed the meeting in strong terms conveying a warning against the practice of bidding for deposits by putting up rates. One of the reasons contributing to the failure of the 1,000 defunct banks of the northwestern states was payment of excessive interest on deposits. In that region there were too many banks and keen competition to get deposits resulted in the raising of interest rates to a point where so small a margin of profit was left that a measure of unsoundness developed which left the institutions unable to stand the strain which came with the recession of farm prices.

It is to be expected that during the next few months the level of bank interest paid depositors will sink all over the country.

Private Credit Corporation Has Aided the Farmers in the States

Organization of a Somewhat Similar Body, Supported by Loaning Institutions and the Government, Has Been Suggested to Relieve Situation in Western Canada

The activities of the Progressives, and particularly the so-called "ginger group," in the House of Commons, render it a foregone conclusion that further pressure is to be brought upon the government to provide some scheme of credits for the farmers of Western Canada.

One practical proposal which has been made, and which it is believed would bring results, is for the formation of a financial corporation to provide capital on the basis of stock subscribed by the banks, the mortgage companies and the government, and to loan this money to those who have reasonably sound security but are not able to get the accommodation they desire under prevailing conditions.

This idea to form a corporation has already been tried in the United States, where $10,000,000 was provided in this way through the co-operation of the government and various financial institutions. The plan has now been working for some months in the United States and the following report of what has been accomplished by the agricultural credit corporation has been issued this week.—J.W.T.

The general depression following the 1919-20 boom had marked effects in the so-called Northwest, comprising in part Minnesota, North and South Dakota and Montana. With the realization that, in all probability, there could be no safe legislation passed which would afford sound assistance, President Coolidge suggested that a private corporation of considerable financial strength be organized. A meeting was therefore called, at which Secretary Hoover and other representatives of the administration at Washington were present, together with representatives of some of the larger financial and general business interests of the country, including farming, and a plan was adopted for the organization of the Agricultural Credit Corporation with an authorized capital of ten million dollars. In order to conveniently handle the financing and operation of the proposed corporation it was decided to incorporate the Agricultural Securities Corporation which is known as the "Holding Company," and the Agricultural Credit Corporation, which is known as the "Operating Company."

It was understood that the operation of these corporations would have little, if any, possibility of profit, and therefore it was decided that the subscribers to the capital should be asked to take income bonds of the Securities Corporation, which bonds would be secured by the assets of the operating company, consisting principally of loans made. The charters of the two corporations are very broad in their powers and are intended to cover every kind of lending operation. In order to make the aid rendered more effective, it was decided that the interest rate to be charged by the corporation should be six per cent., which is generally conceded to be a low rate in the territory of operations. As no commissions or lending charges are made, it will readily be seen that the investment return to the subscribers, after operating expenses and inevitable losses are deducted, will at best be very small.

Business Men Direct

Due partly to the prompt and generous subscriptions, several erroneous and improper ideas were formed, one being that the subscribers to the capital of the corporation did not expect to get back their money, and that therefore the corporation would grant loans secured by doubtful and worthless assets, and that the only condition necessary to obtaining a loan was need on the part of the applicant. Another erroneous idea was formed, that the corporation was a government agency, allied possibly with the War Finance Corporation, Federal Reserve Bank, Federal Land Bank or Intermediate Credit Corporation. The reason for this latter idea was, in all probability, the activity of those in authority in Washington in the suggestion and promotion of the corporation. The corporation is directed and officered by business interests, without regard to political influences.

The board of directors represents a number of lines of commercial life and includes railroads, manufacturing, insurance, banking and farming, the majority of the board being from the central and middle west states. As there was no business precedent which could be used as a guide for the operation of the corporation, the board of directors did not attempt to outline any policies. It was understood that the corporation had entered upon a difficult task, and that the policies would have to be developed to meet the conditions which might be found. It was recognized that for this corporation to attempt to deal with individual cases would result in a small amount of general good for the time, energy and money expended.

The conditions existing in the territory had thrown upon the banks excessive burdens which had resulted in the closing of a very large number of banks, some of which were without question basically sound, and it was known to be a fact that a considerable number of other banks were in danger of closing, some of which should and could be saved by a reasonable amount of timely assistance It was, therefore, decided that, regardless of the condition of some individuals in the territory who had need and who might be able to work out with some assistance, it would be an almost impossible task to select such people among the many thousands who might apply for aid, if an individual aid policy was announced.

The checking of bank closings was deemed to be the best field of operation for the corporation, as a comparatively small but efficient organization could be assembled quickly and thereby safeguard the interests of a large number of people whose financial condition was such as to mark them almost automatically as among those who had the best chance to work out of their difficulties.

The corporation has at this time been in active operation just under four months. Up to the middle of July loans and investments totaling over four million dollars have been made, affecting more than two hundred banks, as follows:

Minnesota	12 banks	$ 404,000.00
North Dakota ..	98 banks	1,242,000.00
South Dakota ..	61 banks	1,547,000.00
Montana	25 banks	886,000.00
Special outside cases..	9 banks	178,000.00

The deposits in the banks aided show as follows:

Minnesota	$ 7,262,000.00
North Dakota	14,610,000.00
South Dakota	17,404,000.00
Montana	5,636,000.00

A total of approximately forty-five million dollars.

The safeguarding of these deposits has unquestionably been of direct benefit to many thousands of individuals, a very large percentage of whom are engaged in agriculture, live stock raising, dairying, and businesses dependent thereon. In a great many cases the loans made by this corporation have been the means of saving the investment in the financial institutions of the very people who can be counted upon to do the most in bringing back values and promoting and profitable conduct of business in their respective communities.

While there have been some most unreasonable and unfair requests and demands upon the corporation, in the main those who have applied to the corporation for assistance have done so on a proper business basis, and there have been numerous instances of the most generous and loyal support of the local institution by the stockholders, which proved that confidence of the depositors in those responsible for the bank was well merited.

Direct Aid to Farmers

Although the corporation has rendered aid to a large number of people through its aid to banks, it has also assisted some individuals directly. It has relieved some farmers of excessive interest charges on their past due taxes, and it is intended to assist a great many more as soon as it can safely do so and not be in conflict with existing laws and rulings in some of the states.

With the defeat in Congress of the Norbeck-Burtness bill, which was intended to assist individual farmers in a small way to add to their farming activities in a profitable manner through the purchase of dairy cows, sheep, hogs, and other farm animals, President Coolidge suggested that the corporation might take on such work with a view to seeing where aid, if any, could be rendered on a business basis. A start has been made in this direction, a department organized consisting of an officer in charge with one assistant in the office, together with several field men who are acting as purchasers of the animals desired by the farmers. In order to keep down operating expense, it was decided to enlist the services of local people and approximately two hundred local committees have been formed, which committees have been and are being supplied with application blanks.

AMERICAN BANKS BEING SAVED BY PRICE ADVANCES

Marked Improvement in Situation in Western States

From Our Own Correspondent.

NEW YORK.—One of the most interesting effects of the recent sharp rise in the price of wheat, has been the effect it has had on the position of the banks in the grain-growing states of the west and southwest. Last winter the banks in this section of the country were failing by the half-dozen. and the financial overlords at Washington were at their wits' end to devise ways and means of saving the banks that were holding their own from sliding down the hill to financial ruin.

Treasury records show that between January 1 and July 1, 1924, 342 American banks were forced to close their doors. Of this number some 267 were state institutions, and 75 were national banks. While a number of banks have failed since the first of July, the number is decreasing rapidly. The decrease started in May, when the number of failures was thirty per cent. less than it was in April in states west of the Mississippi, and 25 per cent. less in June than in May.

Information from Washington indicates that the Agricultural Credit Corporation, formed last winter to succor banks in the rural sections of the west, has been able to reopen twenty banks and so strengthen a number of others, then in a weakened condition, that they will be able to weather any storm likely to occur in the near future.

The complete list of failures west of the Mississippi to July 1 was as follows:

	July	Seven mos. end July 31
1924	$ 99,465,636	$922,465,038
1923	67,547,887	683,646,506
1922	120,008,165	854,165,441
1921	108,925,459	617,017,761
1920	79,914,826	429,896,817
1919	75,649,360	384,537,802
1918	20,905,646	155,088,730
1917	88,946,592	304,098,265
1916	40,931,309	326,429,929
1915	27,160,893	344,316,949

State.	Nat'l Banks.	State Banks.
Arizona	1	3
Arkansas	0	1
California	0	1
Colorado	2	1
Idaho	2	1
Iowa	1	29
Kansas	3	8
Louisiana	0	1
Minnesota	3	26
Missouri	0	8
Montana	12	28
Nebraska	5	8
New Mexico	10	7
Nevada	0	0
North Dakota	9	39
Oklahoma	6	32
Oregon	0	2
South Dakota	12	54
Texas	1	7
Utah	1	0
Washington	2	3
Wyoming	6	8

Extensive Liquidation

According to local financial men in touch with conditions in the West, the raise in the price of farm commodities has not only cut down sharply the number of failures among western banks, but has enabled Western farmers to liquidate millions of dollars' worth of loans floated last fall and winter. This has, of course, materially lightened the load the western banks are being called upon to carry.

Further evidence of the improved financial condition of the American west is seen in the statement made to THE FINANCIAL POST by a number of big brokerage houses with widespread western connections that a deal of the buying in evidence in the stock market during recent weeks has been for western account.

Bank Branches Opened and Closed During July

During the month of July, the Banque d'Hochelaga and the Banque Provinciale opened a number of branches in the province of Quebec. Additional branches have been opened in Cuba by the Royal Bank and Bank of Nova Scotia. The Bank of Commerce continues to close certain Bank of Hamilton branches which have now been consolidated into the Commerce organization. Following are details of branches opened and closed during the month:

Opened

Commerce.—On 15th instant, the following branches in Quebec were placed on a sub-agency, being operated from the branches named, and opened for business daily:

Dunham, to operate through our Cowansville branch.

Stanbridge East, to operate through our Bedford branch.

West Shefford, to operate through our Waterloo branch.

Hochelaga. — Terrebonne, Que.; St. Stanislas, Que.; St. Lin, Que.; Princeville, Que.

Nova Scotia.—Branch opened at Ave. de Italia, Havana.

Royal.—Havana, Toys, Cuba.

Provincial Bank of Canada.—Plessisville, Que.; Shawinigan Falls, Que.; St. Ambroise de Kildare, Que. (sub. of Joliette, Que.); St. Stanislas de Champlain, Que. (sub. of St. Tite, Que.); Wellington, P.E.I. (sub. to Summerside, P.E.I.)

Closed

Commerce. — Bank of Hamilton branches have been closed at Beamsville, Ont.; Simcoe, Ont., and Windsor, Ont., also branches at Point aux Trembles, Que.; St. Felix de Valois, Que.; St. Gabriele de Brandon, Que.

Hochelaga.—Muenster, Sask.

Royal. — Imperoyal, N.S.; Princes Town, Trinidad.

Toronto.—Bailleboro, Ont.; Honeywood, Ont.; Terrebonne, Que.

Provincial Bank of Canada.—Chartierville, Que. (sub. of Lac Megantic, Que.)

Weyburn Security.—Ardill, Sask.

Exchange

While the favorable developments of the international conference in London are undoubtedly having a strengthening effect upon sterling, a factor of greater importance is the rather significant action of the Federal Reserve Board in further lowering the discount rate in the United States. This virtually equalizes the return on money in the two markets, and considerable volume of money is returning to London. There has been some discussion there as to whether or not the British money rate should be raised to attract funds, but industry has protested that this might easily induce further deflation, which would retard recovery. As it is, there is gradual improvement in industry, and, with the inflow of funds, sterling has improved by more than 30 cents in the pound since the first of the year.

The Canadian dollar continues to improve, and except on small amounts, the discount in New York is now practically negligible. The beginning of wheat shipments, it is thought, should bring the Canadian dollar to par.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
Aug. 7 ...	13-32	3-8	2 9-32	2 5-16
Aug. 8 ...	9-32	3-16	2 13-32	2 3-8
Aug. 9 ...	9-32	7-32	2 7-16	2 3-8
Aug. 11 ...	7-32	3-16	2 3-8	....
Aug. 12 ...	7-32	3-16	....	....
Aug. 13 ...	3-16	5-32	2 13-32	2 3-8

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
Aug. 7 ...	4.51	5.55	4.46
Aug. 8 ...	4.51	5.49	4.48¾
Aug. 9 ...	4.52¾	5.52½	4.48¼
Aug. 11 ...	4.55	5.68½	4.53¼
Aug. 12 ...	4.53	5.55½	4.50¾
Aug. 13 ...	4.53¼	5.56	4.48½

August 15, 1924

Weekly Bank Clearings

(In comparison with same week last year).

EASTERN CITIES	Aug. 9, 1923 Week end.	Aug. 7, 1924 Week end.
Halifax	$ 2,868,538	$ 5,090,452
St. John	2,852,738	2,590,127
Moncton	809,209	708,504
Sherbrooke	1,051,874	865,029
Quebec	5,930,800	5,667,134
Montreal	86,777,993	99,451,464
Ottawa	5,714,182	6,232,627
Kingston	855,502	757,721
Peterborough ..	674,924	765,244
Toronto	93,432,559	76,547,272
Hamilton	5,557,603	4,897,710
Brantford	837,862	850,313
London	3,067,402	2,582,425
Kitchener	960,842	770,861
Windsor	2,721,961	3,505,032
Total	$219,117,990	$211,283,915
WESTERN CITIES		
Fort William ..	$ 876,256	$ 906,822
Winnipeg	28,282,578	43,184,811
Brandon	616,885	548,181
Regina	3,607,268	3,207,328
Saskatoon	1,844,652	2,082,695
Moose Jaw	1,207,215	1,005,211
Prince Albert..	301,010	302,217
Lethbridge	504,647	533,896
Calgary	4,199,776	5,726,881
Edmonton	3,535,851	3,624,002
Medicine Hat ..	294,860	294,860
N. Westminster	558,993	601,570
Vancouver	15,652,178	18,819,900
Victoria	2,027,035	4,209,851
Total	$ 63,509,204	$ 85,058,225
Total Western	63,509,204	85,058,225
Total Eastern.	$219,117,990	$211,283,915
	$282,627,194	$296,342,140

Big Increase in Demand Deposits Shown in the June Bank Statement

The most important change in the finances of the Canadian banks indicated by the June government return is an increase of nearly $50,000,000 in demand deposits. For this change there is no really satisfying explanation in banking circles other than that it may represent a change in balances as between savings and other accounts. During the previous month there was a considerable decline in the demand deposits, but this was regarded as an accompaniment of a curtailment of current loans. As compared with a year ago, however, the increase in demand deposits in June raises the total to within about $2,000,000 of what it was at that time. Savings deposits during June showed a decline of about $16,000,000, which is perhaps accounted for by the increase in the demand deposits. Foreign deposits showed an increase of nearly $14,000,000, while loans abroad increased $8,000,000.

Following are important items from the June statement:

ASSETS	June 1924	May 1924	Change	June 1923	Change
Specie	58,808,796	59,226,043	— 417,247	71,228,368	— 13,419,572
Dom. Notes	123,363,498	140,551,389	— 17,187,891	158,528,282	— 35,164,784
Gold Reserve	62,252,533	58,102,533	+ 7,150,000	57,652,533	+ 4,600,000
Can. Call Loans	102,335,491	101,562,621	+ 772,870	96,698,528	+ 5,636,963
Call Loans Out	176,825,772	199,992,805	— 23,167,033	219,607,375	— 42,721,603
Current Loans	986,366,366	989,305,863	— 2,939,497	1,065,854,729	— 76,488,363
Loans Abroad	181,475,190	173,447,638	+ 8,027,552	156,093,243	+ 25,381,947
Total Assets	2,712,180,674	2,663,282,226	+ 48,898,448	2,267,973,435	+ 444,207,239
LIABILITIES					
Reserve	124,875,000	124,875,000	————	126,425,000	— 1,550,000
Circulation	171,396,223	169,347,932	+ 2,048,291	174,658,110	— 3,261,887
Demand dep.	529,111,173	479,309,526	+ 49,701,647	531,157,019	— 2,045,846
Savings Dep.	1,189,018,091	1,204,816,866	— 15,798,775	1,214,245,872	— 25,227,761
Foreign Dep.	340,770,351	326,928,568	+ 13,841,783	335,712,207	+ 5,058,144
Total Liabilities ..	2,697,207,997	2,649,793,620	+ 47,414,377	2,408,351,143	+ 288,856,854

TIME
How long it will take
to build your building
is at least as import-
ant as how much it
will cost to build. In
fact, you cannot ac-
curately gauge the
cost without also fig-
uring the time.
Let us do a little fig-
uring for you.
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ly the safest form of
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EXPRESS
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A More
Intimate
Service
OUR TELE
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PHONE

MORE RADICAL IN EAST

PROFESSOR Sherrard, of the University of Saskatchewan, stated at a public meeting in Toronto last week, that there had been a general impression that the students in the Western universities were more radical in their thought than the students in the Eastern universities. At the gathering of students in Toronto, two years ago, however, it had been found that the reverse was the case; students in Eastern universities were much more radical and Bolshevistic than were the students in the Western colleges.

This confirms the opinions expressed in THE FINANCIAL POST at that time, and subsequently.

DANGEROUS TEACHING

IN VIEW of his writings—and, we presume, his teachings—supporting the overthrow of the present system of capitalism as an economic failure, it is hardly a matter for surprise to find Prof. R. M. McIver, head of the department of political econnomy in the University of Toronto, advocating birth control. In his address on "Civilization and Population," before the British Association for the Advancement of Science. Prof. McIver made the following statements in support of his general argument that the state should revise its attitude towards birth control and refrain from repressing propaganda:

> Ban on birth control prevents poor from following lead of well-to-do, and widens disparity between classes.
>
> Earlier marriages might be encouraged if state repression of birth control were abandoned.

It should be added that the youthful and advanced Toronto professor spoke for himself and it is doubtful if his ideas had any large following among the scientists. On the other side of the question Sir William Beveridge ominously predicted that birth control might transform the whole structure of human society. New inventions, he said, had provided society with dangerous weapons which could be employed with disastrous results. There was danger of Britain changing from a nation with a growing population to one of a stationary population, with a larger proportion of aged dependents. Sir William's conclusions are:

> "(1) The revolutionary fall of human fertility in Europe since 1880 is due mainly, if not wholly, to deliberate prevention.
>
> "(2) The sudden spread of the practice of prevention after 1880 cannot be connected with any change of economic conditions increasing the need for restricting families and must be attributed to invention of more effective means of prevention.
>
> "(3) Apart from the direct effects on numbers and quality of population, important effects on social structure are to be anticipated through the change from a growing to a stationary population in Britain and elsewhere and through the decrease of marriage, which is probably a result of the same causes."

Fortunately we believe there is little danger in British governments being influenced by the ideas of Prof. McIver as opposed to those of scientists like Sir William Beveridge. But it is a question if the parents of Canada's coming generation of fathers and mothers are desirous of having them taught such theories as the Toronto University professor has expounded. Further it would not be difficult, we believe, to establish the connection between this birth control propaganda and other propaganda aimed at the upsetting of our social system and institutions and the undermining of our national economic efficiency.

A HEADING in the Toronto Globe says of the late Hon. Frank Carvell that he "Defied Public Opinion." We would rather use the expression of that great American journalist, Charles A. Dana, and say that he had "the courage to defy a wrong majority"—although we doubt if the Globe could appreciate this attitude.

• • •

A RECENT branch bank scandal was due, THE FINANCIAL POST learns, to the manager taking Victory bonds from customers for safekeeping without giving receipts. He had thus a considerable fund which he manipulated to his own benefit for some years. Investors should at all times demand receipts when they are handing over valuable papers

• • •

EMMA GOLDMAN told the International Anti-Militarist Congress at The Hague that the Bolsheviki have built up a state as capitalistic and militaristic as was ever the Russia of the Romanoffs, but which allows considerably less individual freedom. Also we presume there is considerably less capital. Emma is evidently not now the eloquent advocate and admirer of Bolshevism who was deported to her Russian land of promise by the United States authorities.

• • •

MEN of all political complexions would be welcomed on the board of the Canadian National Railways by the Toronto Star, but this paper takes a stand solidly against the appointment of any but avowed friends of public ownership. Where, we ask, are we to find successful executives for the government system if those who have made a success of private enterprise are to be excluded? The Star would no doubt classify Sir Joseph Flavelle as an enemy of public ownership and yet he has done more perhaps than any other one man to put the government's railways on a business basis.

Thomas Ahearn is Ottawa's Biggest Captain of Industry

Pioneer in Field of Big Electrical Construction in Canada Got His Start by Offering to Run Messages "Gratis" for the Privilege of Learning Art of Tapping Key

By FLOYD S. CHALMERS

THOMAS AHEARN

This story started out to be the story of Ahearn and Soper. It seemed when I started to write that one could not write of Thomas Ahearn or of Warren Y. Soper individually. Each story would have overlapped in nine-tenths of the incidents and reminiscences. But the power that no man can guide has intervened. Mr. Soper died a few weeks ago, leaving Mr. Ahearn to carry on the constructive work of the two. The story must be the story of Thomas Ahearn alone.

Ahearn is one of Canada's great men of the key. It is amazing how so many of Canada's big business leaders have been recruited from the ranks of the telegraph operators. Hosmer, Van Horne, McFarlane Ahearn, Soper, Gideon Robertson, E. R. Wood, Cox, Ormond Higman, H. B. Spence, and many others, are names that suggest themselves from the magnificent list. Ahearn started his business career in the Chaudiere office of the Montreal Telegraph Company. This was in the heart of the saw-mill district of Ottawa. His father ran a little blacksmith shop in the area. One morning, young Ahearn walked into the telegraph office, which was located in the office of J. R. Booth, the lumber king of the Ottawa, and told the manager that he would be willing to deliver their messages free of charge if they would let him try his hand at operating a telegraph key. Ahearn was willing to stake a few weeks' work on his faith in his ability to make good. He was not altogether an uninitiated person at telegraphing. His connection with the mysteries of the wire and the key went back further—to his boyhood friendships with young Warren Soper, who had come over with his family from Oldtown Maine. The two boys had played at telegraphy.

Becomes a Full-time Operator

The manager of the telegraph instruments looked the lad over in surprise. He studied the serious, ambitious look on the boy's face and said: "There's a peg for your hat." In six months young Ahearn was a full-time operator, and, in another two years and a half, he went to New York to work for the Western Union. When he went he left behind him the reputation of being the cheeriest, most irrepressible operator in the Ottawa office.

One night the lady operator at a small rural station in Quebec wired to him:

"What do you call that little instrument where the green wire goes in?"

"The aurora borealis," wired back Ahearn.

A few minutes later the manager at the central station was receiving a pathetic complaint from the girl operator:

"The little green wire which comes out of the aurora borealis is broken. What shall I do?"

In 1871, when young Ahearn had arrived in New York, he heard that a subscription was being taken up to erect a monument in Central Park to Professor Samuel F. B. Morse, the inventor of the telegraph. Out of his first week's pay he contributed five dollars towards the building of that memorial.

A Good Man at His Job

He was known as one of New York's best operators, and was entrusted with such important work as the receiving of messages from Washington. He received the rather high salary (high at that time) of $90 a month.

In a few years he returned to Ottawa and shortly afterward assumed the managership of the Ottawa office of the Bell Telephone Company. He was twenty-five when he obtained this important appointment. This work, as well as his telegraphic work, was but preliminary to his real life efforts. It was giving him a knowledge of the basic principles of electricity that was later to make of Ahearn and Soper leaders in electrical construction in Canada.

Ahearn was manager of the Ottawa office of the Bell Telephone Company. Soper was at the same time manager of the Ottawa office of the Dominion Telegraph Company. Both were drawing down fairly good salaries, and had excellent prospects for success. But they cut loose from their salaried jobs to go into business for themselves. They formed Ahearn and Soper, electrical contractors.

Getting Their First Orders

They lived, ate, slept, talked and dreamed electricity, for the next few difficult years. But most of all they read electricity. They kept in touch with every new development, and themselves invented a number of new contraptions for other people to keep in touch with.

They started to experiment first of all with electric call bells for offices and residences, and developed a system that worked. This attracted considerable attention. Then one day they landed a big contract.

The Commercial Cable Company wanted someone to build a number of lines along the bleak and rocky coast of the county of Guysborough, in Nova Scotia. Ahearn and his partner took on the job, and finished it successfully. They got another big contract.

"Why not get the C. P. R.'s order for the telegraph instruments they need on their transcontinental line?" mused Ahearn one day. He broached the subject to his partner. No sooner was it suggested than essayed. Soper took the train to Montreal, saw Thomas Shaughnessy, purchasing agent for the C. P. R., and came home with the big contract. They were building up both their capital and a reputation for doing big jobs thoroughly.

Becoming Traction Magnates

Their master-stroke was the Ottawa street railway deal.

In the late 'eighties there was a good deal of speculation as to the feasibility of running street railway systems by electricity. There were many people in the United States ready to believe that electric street railways were a possibility. There were few in Canada to take this view. Canada was a country of severe winters. Snows were deep. The average man, and a large part of the engineering profession, could not see how the snow and ice problem could be surmounted in the construction and operation of an electric railway. Ahearn and his partner believed that it could be done. They saw that it would have to be done. They studied the problem, and finally worked out ways and means of handling winter operations. All they needed was a railway system on which to practice.

From 1870 to 1890 Ottawa had been served by horse-drawn cars on a few of the principal streets. In the twenty years of its existence the service had never showed any signs of improvement. Only the main streets were served. In winter, operation of the street cars was a problem. The cars were provided with straw to the depth of one foot littered on the floor in the hope that it would keep the cold out.

The Toronto Crowd Falls Down

In 1880, prominent Toronto people dickered with the city council of Ottawa for a franchise to operate an electric street railway. The deal fell through because the Toronto people failed to put up the necessary $5,000 to bind the bargain.

Then stepped Ahearn upon the scene. He and Soper counted the cash in the till, found enough to go ahead, and rather startled their fellow citizens by offering to take over the franchise and build the railway. They sent their proposition to the council in a letter to which was pinned the $5,000 marked cheque. The $5,000 looked good to the council. They granted the franchise for twenty years and Ahearn and Soper gave Ottawa the first electric street railway in Canada.

The capital required for the undertaking was readily provided by Ottawa citizens. Including Messrs. Ahearn and Soper, who held the controlling interest, there were 56 original shareholders.

Some Other Enterprises

The lines were formally declared open for service and on June 30, 1891, five cars left the barns. The electric current supplying the motive force to operate the system was turned on at the company's Chaudiere plant by Franklyn Ahearn, son of Thomas Ahearn. He was then a boy of five. To-day he is a director of the system. Thomas Ahearn was at the controller of the first car, and Warren Y. Soper was motorman of the second car in the five-car procession.

A few years later the partners took over the perpetual franchise of the horse-drawn line, although it has subsequently been changed to a thirty-year franchise. The power for the railway came from a power plant at Chaudiere Falls.

This electric company had been organized in 1887 by Ahearn and Soper. The Chaudiere Electric Light and Power Company served the citizens of Ottawa with electric light and power in an excellent manner. It was the first incandescent electric light company in Canada. At that time only the larger cities in the United States—New York, Philadelphia, Chicago, and Boston, were being served, and only partially served with electricity. The electric railway followed shortly after the successful launching of this electric light and power venture.

The railway was successful from the start, and, to-day, is famed across the continent for its leadership in operation methods. Amongst electric railway men it is called the "Nickel Plate Road." The company solved snow problems and adopted the first type of electrical sweeper to be known on this continent. During the first winter the car service was kept on the move without cessation, and Ahearn, Soper, and their colleagues got a dinner out of this feat. The mayor of the city had wagered such a spread that they could not run the cars throughout the winter.

The street railway was the foundation on which has been built the Ottawa Electric Railway Company. The power plant was the foundation on which Ahearn and his partner built the Ottawa Light, Heat and Power group of companies that supply Ottawa with electric and gas service. Thomas Ahearn is still president of both companies. They are highly regarded by public utility operators.

Hardly had he seen these two companies started on their way when Ahearn was busy getting another into operation. The two partners took over an old carriage factory, and made of it the Ottawa Car Company to build street cars. This company achieved something of a reputation during the war by building ordnance equipment, something no other Canadian company ever attempted. In 1914 the Dominion government asked a number of big Canadian manufacturing concerns to undertake the manufacture of carriages and limbers for 18-pounder field guns, and 4.5 howitzers. A number of companies sent representatives to the plant of the Ottawa Car Company to see what kind of work they would have to turn out. When they saw the intricacies of detail, and estimated the expense of the plant that they would have to instal, they threw up the sponge and left the field to Ahearn's company.

Up to the time of Mr. Soper's death, a short while ago, the two men continued to utilize telegraphy for personal communication. Ahearn and Soper both had telegraph instruments upon their desks and in their homes.

Feats of Mystic Power

Their knowledge of Morse code has enabled them to mystify their friends on occasion. The classic story, oft recountered by their friends, tells how they convinced a party of out-of-town guests of their psychic abilities. Soper had always been a student of mind reading. He had so convinced one of the party of his powers in this art that this gentleman volunteered the guess that Mr. Soper was a psychic.

To convince them of this, Mr. Ahearn said he would try another experiment. He asked Mr. Soper to leave the room in order that some one might suggest a word and on Soper's return he would try to tell the word thought of.

Ahearn glanced at Soper, and, although neither spoke a word, both understood.

A moment later Mr. Soper returned.

"We have decided upon a very unusual word, and if you can guess it you are undoubtedly a mind reader," stated the firm believer in Mr. Soper's psychic powers.

The whole company placed their hands on the amateur medium's head and thought intently of the selected word. Mr. Ahearn's index finger gently and silently telegraphed the message to his partner.

"The word you have chosen is 'Pi,'" said Mr. Soper, and the supernatural manifestation was complete.

In this incident the Ahearn who joked with the girl operator on the telegraph line was bubbling over again.

"Spoofing" the Governor

There is a better story about Mr. Ahearn that is known to very few people. It concerns a governor-general of the Dominion.

When Lord Aberdeen occupied Rideau Hall he became interested in the occasional demonstrations of mentelepathy indulged in by Ahearn and Soper for the benefit of their friends. Ahearn and Soper agreed one night to show Lord Aberdeen how effective mind reading could be. Before their guests arrived the two jolly partners did a little carpentry and electrical work around the room. They fixed two little metal discs to the carpet, one at the back of the room and one at the front and connected them with a wire. Mr. Soper put a piece of metal on the sole of his shoe and connected it by a piece of copper wire running up his trouser leg to a small telegraph receiver in his pocket. One more detail was added. A telegraph operator was invited to the gathering and given a seat among the guests near the back of the room with a telegraph instrument also geared to his body.

The vice regal party arrived. Mr. Soper, blindfolded, was given a seat at the front of the room. Each of the guests was given an opportunity to ask questions which would be answered by Mr. Soper. The questions were quietly whispered to Mr. Ahearn who undertook to transmit them by thought transference to Mr. Soper.

How the Trick was Done

In going around the room, Mr. Ahearn took occasion to slip by the telegraph operator. Everybody took this individual for one of the guests. But when Mr. Ahearn leaned down towards him it was not to catch his whispered question, but to tell him what the other guests were asking. The operator put the message on the instrument in his pocket. The current ran down the wire in his trousers leg to the metal disc on his boot, which was in contact with the metal disc on the floor, underneath the rug carpet to Mr. Soper, and, in a moment, Mr. Soper was answering questions with miraculous ease.

The entire party was mystified. Lord Aberdeen talked of the wonderful demonstration for days afterward. But the telegraph operator talked and the news trickled around the town that Messrs. Ahearn and Soper, in their natural bent for playing tricks on folks, had put it over the governor-general. Perhaps the governor-general heard how the "miracle" had actually been performed.

When Mr. Ahearn met him in London a few years later, Lord Aberdeen remarked: "Oh, I knew all the time how you were doing it."

These incidents show that it is possible for a leader in business, a magnate in electricity, to be a warmhearted individual with the heart of a boy. For that is what Thomas Ahearn is, even though he be Ottawa's biggest business man.

How Henry Ford Deposits His Money

Will Nassau, writing in the Wall Street Journal, says that there are at present between 215 and 225 banks holding Ford Motor Company deposits. At a recent date the largest deposit on the list was $20,000,000 in a bank in Chicago. There were a dozen deposits neighboring $10,000,000, and the remainder varied all the way down to $100,000. The total cash balance of the company has touched $205,000,000, but its more normal level is between $150,000,000 and $175,000,000. Taking $150,000,000 as a basis, and deducting one account at $20,000,000, and eight at an average of $10,000,000, there would remain $50,000,000 to be divided among approximately 200 banks, or an average of $250,000 each.

The $270,000,000 shown under the caption of cash at the February 29. 1924, statement of the company to the Massachusetts corporation commissioner was not all cash. It included accounts receivable, and other items, reducing the actual cash to not more than $150,000,000. Hence, it is obvious that there is no "growing cash burden" hanging over the Fords.

Ford bank accounts are distributed with two objects. The company must naturally keep large balances in central cities to pay mercandise bills and labor. Besides the 100,000 men employed in Detroit, there are 50,000 others employed in the branch plants at Iron Mountain, Hamilton, Ohio, and in the 34 branch assembling and sales plants. The second object is to place funds in banks which give sympathetic support to Ford dealers. The Ford Company was pioneer in putting the automobile manufacturing business on a basis of cash for cars delivered, and they desire to maintain this arrangement.

The bulk of retail paper given by purchasers of Ford cars is quite generally handled in the larger cities by finance companies which have made a specialty of Ford paper. So far as is known, the company has no interest in any of these corporations.

Letters to the Editor

CANADA'S FUTURE

Editor, The Financial Post,

Sir:—Will you permit me as a would-be one hundred per cent. Canadian, to comment as under upon an article appearing in your issue of 18th ult., under the heading: "British Idea is Canada leaning to United States."

Unfortunately, Mr. Editor, according to my viewpoint there is justification for that idea, and those most responsible for that leaning are the very men you mention as "whose sympathies are entirely British." If you can give me one justifiable reason for the people living in Canada for a century or more, who have not one drop of British blood in their veins, or who have adopted Canada as their future homeland, should desire to be entirely British, I will appreciate the information. Let us recognize one fact, Mr. Editor, no country ever takes an interest in any other country for other than what it expects to get out of that country, and if England took Canada from the French as they in turn took it from the savages, by force of arms, it was for what she expected to get out of it, and not for the benefit of the inhabitants. My firm conviction is that the man living in Canada whose sympathies are entirely British cannot be a truly loyal citizen to Canada, as no man or women can be true to two homes and two families at one and the same time so likewise no man or woman can be true to two countries. If the masses of the Canadian people were given an opportunity to become "entirely Canadian" as distinguished from a British subject, there would be less leaning to the United States.

Give our people a Canadian national ideal and I am sure you will admit that an ideal will last longer than anything you can buy, or sell, or build, give them a national ideal, a national anthem, a national flag, as different and distinct from the flag of England as it will be from the Stars and Stripes or any other ensign, give us the status of a sovereign state, and there will be no leaning to the United States. Then our teachers could teach our young our national anthem, point with pride to our national flag, and inculcate into the minds of our young that love and veneration for Canada that the Englishman has for England, the Frenchman has for France, or our cousins to the south of us have for that great American republic, this and this alone, Mr. Editor, is, in my humble opinion, the only way in which we can hope to make Canada safe for the Canadians.

So long as we are situated as we are at present, part of the North American continent and a colonial possession of one of the European powers, and recognized as such by all sovereign states of the world, just so long will we feel our inferiority in status of free citizens, that inferiority will rankle and some of us prefer to become part and parcel of the republic to the south of us in preference to our present position.

There is one other danger that those of us who desire to remain loyal to Canada see, and that is the impropriety of borrowing large sums of money from our American cousins by our governmental and other officials, because economic control spells political control, and political control means managerial control.

Again I repeat, Mr. Editor, our only salvation is in the development of a Canadian nationalism that will unite all our different groups, creeds, or races into one concrete whole.

Yours truly,
N. T. CAREY.

Winnipeg, Aug. 1, 1924.

This letter is printed as reflecting the opinion of a certain section of the Western community. THE FINANCIAL POST does not subscribe to the sentiments expressed as our readers will readily recognize.—Editor.

E FINANCIAL POST
ber Audit Bureau of Circulations
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FINANCIAL POST HAS THE GEST PAID CIRCULATION OF CANADIAN FINANCIAL PAPER

ORONTO, AUG. 15, 1924

LING CARVELL'S PLACE

late Hon. F. B. Carvell was of the strong characters de- in the parliamentary life of 20 years. He was not what enerally considered as a lov- haracter; on the contrary, he own in his Opposition days as ing Frank." He was, indeed, class fighting man, one of the hat is a tower of strength to osition, and he did valiant work Liberals from 1904 to 1917. he entered the Union Govern- e toned down, but as long as a member of the House he was as one of its most virile char- who had always to be reck- ith.

than once, as chairman of the Commission, he drew severe m because of his vigorously sed opinions. He felt that he right to express himself, es- on matters on which he was ed he knew what he was talk- out.

there were many who dif- ith the late chairman on mat- policy, before and after he o the Commission, he was esteemed for his down-right and undoubted sincerity. As n he had shown high capa- had he lived would un- ly have been rated as one of y best chiefs that the Rail- mmission has ever had. There thing to be said for him, he knew his own mind, and others difficulty in finding out what ght.

new chairman of the Com- will have to be a man of character, as well as thor- versed in the law, or there one of the worst mix-ups on rates that has ever been this country. He will have man of good sense, with a ind, able to make a decision nd by it.

PORT FOR BUSINESS RESEARCH

CUSSING the research that been carried on in connection business cycle, and forcast- iness conditions, Prof. Michell aster University, in an ad- efore the British Association Advancement of Science, made owing plea for the support of iness world in this work:

is simply no question but that that is being done in the Uni- of Cambridge and London, in in Harvard, and in more than ersity in Canada, is of first portance to the business world," "By the most careful and la- processes of modern statistical the economist is, as it were, the business cycle to pieces and ing to come to a definite sys- forecasting. The amount of to be done is very great, and siness world desires to benefit results being attained, surely too much to ask for even a

the last ten years, great ve been made and the pros- further advances being made ed. In fact, it is not at all to say that a new page has ed up in the whole science of , a study of fascinating at- the investigator and of importance to the business

Michell's position in this is well taken. While it the last thought of any one the liberal financial sup- is given to medical, social forms of research, the fail- siness to support research benefit itself directly is anomaly. Canada is com- mmerce and industry with developed countries. ecessity to carry on mental business con- departments of the re carrying on rally supported. of youth, pre- business appears attitude that no ed. Much more is connection if of the support is given to other

Valuations of Securities

A periodical valuation is very helpful to the holder of securities. It may enable the investor to take advantage of a favorable market for the sale of some securities. It may discover to the holder that he has some securities which have been called at a premium and which have ceased to bear interest. Moreover, it affords a protection in cases where declines are indicated.

Many estates, institutions and private investors make it a practice to have their holdings valued frequently.

We shall be glad at all times to make valuations of securities, without obligation, or to make suggestions as to the betterment of holdings by purchases, sales or exchanges. Our investment experience of thirty-five years is at your service.

Your inquiries are invited

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INVESTORS' INQUIRIES

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

WEKUSKO MINES

Telegram, Saskatchewan.—Would like your opinion on Wekusko Mines. Do you consider it good investment? Reply night letter.

Wekusko Gold Mines are a speculative venture in an unproven gold area, Herb Lake, Northern Manitoba. The camp is one of promise and the company is in good hands which should ensure you a run for your money. It is a fair speculation.

HATTIE

F. J. B., Ont.—I have 4,000 Hattie, bought at 8 cents. Will I transfer and take the preferred or sell and take my medicine now?

Hattie's new financing announcement was not well received by the market. Engineers who ought to know and who are reliable, say Hattie so far has little in the way of proven ore bodies. It is being freely predicted that they will have trouble getting 60 cents for the preferred. We never sized Hattie up as a speculation with any merit.

AUSTRALIAN BANK SHARES

Port Hope.—Where can I get a copy of booklets on Australian banks referred to in last issue of THE FINANCIAL POST?

The pamphlets on "Australian Banks and Their Shares as Investments" and "The National Bank of Australasia, Ltd., and Its Current Issue of New Shares," were sent to us with the compliments of J. B. Were & Son, stock share and exchange brokers, Bank of New Zealand Chambers, 349 Collins St., Melbourne. No doubt you could secure copies by communicating with them but we do not know of any supply being available in Canada.

CASTLE AND ARGONAUT

W. J. M., Ont.—I have been advised to write you in regard Castle-Trethewey at 71½ and Argonaut at 37½.

Since you wrote your letter, shares of Castle Silver Mines have had fairly good rise in price. The general opinion seems to be that this stock is a good hold for some considerable time. It should not be long before earnings will be sufficient to take care of dividends on the preferred and this can easily be retired or allowed to stand while the company goes ahead and pays dividends on the common stock. As the outstanding preferred is only $200,000 it would hardly stand for any length of time in the way of the common shares. The company is in excellent hands.

Argonaut is now selling at the level at which you purchased. It will take some little time for the company to work out its future plans. In the meantime they recently acquired some very good property in the Quebec district and it is lately reported that a very excellent find of ore was made there. We are not familiar with the plans to finance this operation.

RSC INVESTMENT-SERVICE

Public Utility Investments

During the past twenty-one years the activities of this Corporation have included the organizing and financing of many public utility companies in Canada, Newfoundland, Cuba and the British West Indies.

These utilities include tramway, telephone, hydro-electric and gas companies. Their establishment in well-founded communities, and the nature of services rendered, assure stability of earnings in good times and bad.

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LYALL CONSTRUCTION

Montreal, Inquirer.—How are the Lyall Co. progressing? Would you hold it for a higher price, if so when is there likely to be an advance in these shares?

It is difficult to get information about Lyall Construction, other than that contained in the annual reports. The shareholders were told at the recent annual meeting that they were engaged in rather extensive work at Esquimault and Welland Canal. The work, however, was not proving as profitable as estimated, as the government forced them to pay wages on a higher scale than anticipated. It is hoped to collect the difference from the government later. The company has not been getting new contracts, being underbid by contractors who have been in a position to give financial support to new enterprises, which the Lyall Co. does not care to do. There has been talk of a movement among minority shareholders to demand further news of operations, but this has been denied. On the street the stock is regarded as being worth more than the present market price, and over a term of years it is regarded as promising a substantial profit. No one, however, is in a definite position to forecast what the trend is likely to be.

DOMINION IRON AND STEEL

A. B., St. John, N.B.—I hold Dominion Steel 6 per cent. preferred stock and Dominion Iron and Steel Consolidated mortgage bonds, 5 per cent., 1939, both bought some time ago at much higher prices than now prevailing. I can quite understand the low price of the stock and have noted the remarks regarding it in THE FINANCIAL POST, but I am puzzled at the price of 65 for the bonds, at which price they yield about 10 per cent. Is it seriously supposed that the company will be unable to meet payments of principal and interest? Will these bonds become a first lien on the property after the first mortgage, 1929, bonds have matured? I do not need the money but dislike speculative investments. I have an order in to sell the stock at 40. What would you advise regarding the bonds?

The low prices of Dominion Iron and Steel bonds of 1939 is decidedly disappointing, and must be traced to the general lack of confidence felt by investors at the present time in any of the Besco securities. And it must be considered, too, that with business conditions as they are in steel there is some likelihood that the company will not earn its bond interest this year. General opinion is, though, that bond interest will be paid, and that nothing less than a real collapse of the whole structure will cause the British Empire Steel Corporation to pass interest on any of its mortgage issues.

These bonds have only the 1921 first mortgage issue ahead of them and when this issue has been paid off they will rank as a first charge on all the properties of the Dominion Iron and Steel Corporation. These properties include the iron and steel plant at Sydney. The iron ore deposits at Wabana, Newfoundland, are also included in the mortgage.

It is very difficult to give advice about any British Empire Steel Corporation issue. The situation is fraught with great uncertainty, but there are sufficient opportunities for improvement in this bond issue to make it worth while for the investor to hold.

CANADIAN-UNITED STATES OIL

H. J. H., Quebec.—Would you give me a line on Canadian U. S. Oil and what you think of the stock as an investment? I have been approached to buy the preferred carrying a bonus of 5 common shares for each one preferred.

If Canadian-United States Oil has earnings it is reported to have, allowing it to pay 12 per cent. cash dividend, and warranting it paying 12 per cent. stock dividend, it hardly seems likely that the company would be peddling its stock in the small towns. Changes in the board from time to time, and the adding of names of public men, has left the impression with many that these were made to influence stock sales. It has been stated that the dividends paid were on the stock in the hands of the public, and that the great bulk of the stock holdings of the insiders, was pooled and dividends foregone. If these facts are true, the dividend declarations would seem to be, as many persons have suspected, merely stock-selling bait. Seemingly, the company has exhausted its field for the common share sales, as evidenced by the offer of an 8 per cent. preferred to you. The company is reported to have producing wells in the United States, and oil leases in Western Canada.

GERMAN BOND BOOM

Sydney Mines.—Please advise whether German bond boom genuine or Wall Street bubble.

The boom in the price of German government securities is evidently the result of speculation in Germany rather than in Wall Street. It seemingly reflects the feeling that the position of the government has improved as the result of the economic conference, the possibility of a foreign loan, and the changed attitude of France. We would not care to express an opinion as to whether the movement will be continued or sustained. Everything seems to depend on Germany's future, and that is still problematical, although no doubt brighter now than a few months ago.

Drastic Measure to Control Wild Oil Promotion Schemes

The Ontario government is said to be considering some important changes in the Sale of Securities Act before it is put in force. These changes, it is believed, will have a tightening effect. In this connection, California's law by which wild-cat oil promotions are being kept down is interesting as a piece of legislation providing for government control of rather an extreme measure. It is an evidence of just how far some governments will go. In a recent warning to the public, the state corporation department outlines in part how the California Act works. The department had heard that the curve of decline in oil production in three districts was sharply downwards. The situation, they said, was critical. They proposed as a result:

Applications for permits to sell securities in all new drilling projects in the Santa Fe Springs, Signal Hill and Huntington Beach territory will receive close scrutiny. Such applications will be denied unless reliable reports can be produced for the department to determine that there is some hope of a reasonable amount of oil to be recovered. The limit for the most favorably located wells in the new territory of Torrens will not exceed $75,000 per acre drainage area.

Applications for permits to sell securities in reorganized projects will receive the closest scrutiny. The amount of the original capitalization per acre drainage-area will be taken into consideration before additional securities of any company will be permitted to be offered in California. In case any companies have violated permits by secret rebating or paying excessive selling commissions, such applications for permits in re-organization projects will be denied.

Companies that have only partially financed, will be required to make a more complete showing before the department will issue an order releasing impounded funds. In event that the records of the surrounding wells show little or no hope of obtaining a producing oil well rigid measures will be adopted.

The state corporation department cannot assume the responsibility for the guaranteeing of the success of such projects even then. The public should bear in mind that it is mandatory upon the commissioner of corporations to issue a permit unless it can be shown that the plan of business of the applicant for a permit is unjust, unfair and inequitable.

Investors should remember that all oil projects are speculative.

The above announcement should not be misconstrued by the investing public. There are many legitimate oil companies. Ascertain the amount of capitalization and how much watered or promotion, stock or units, is contained in the financial structure of the company. Ascertain the location of the well and inquire from some well informed reputable authority before investing. In this way legitimate projects will not be injured or prejudiced and the highly speculative cannot hide behind the guise of the permit. Ascertain what percentage of production you will participate in.

Canadians have been dabbling heavily in United States oil shares. The above should be a warning to them. Again, while some of the above checks seem drastic for a government to take, they are designed in the end to protect the people the government is representing. The big cry in Ontario in regard to a government check on mining flotations was that if the government passed on the measures, this fact would be used by salesmen in making it appear that the government had put its O.K. on the proposition. Evidently California takes the chance of the guarantee claim being used so that it can keep many wild propositions from ever going on the market.

Getting Rid of Detail Work

The greatest weight on the wheels of progress is labelled "Details." He is a fortunate business man who has been able to remove his mind entirely from the detail work of his business; who does nothing but think out broad general policies, and is then able to delegate the carrying out of these policies to other persons. Of course this is nothing but being a good executive. Yet how many men who are rated as good executives find it impossible to free themselves from minor matters that take up their time and prevent them from exercising to the fullest their imagination and powers of control.

There are many men who have triumphed over tremendous physical handicaps; men who have spent long hours in bed, or who, over a long term of years, have been able to devote only a few hours a day to their work. Many of these successful men who have been physically handicapped, have been writers; others have been religious leaders, but many of them have been business men. Perhaps one of the reasons for their success has been the fact that they have had long hours to think out broad problems connected with their businesses. They have viewed affairs from a distance, uninterrupted by details.

Carnegie's Detached Viewpoint

There is a story of Andrew Carnegie. He left Pittsburgh one night to go to New York. When he got to Chicago he found a telegram awaiting him. The famous Homestead strike was on. He was asked to return at once, as his advice and management of the affair was necessary. He sent no answer, nor did he pay any attention to the subsequent telegrams that were sent to him. Finally, when the strike was over, he went back to Pittsburg. He was asked if he had received the telegrams, and, if so, why he had not returned. He answered:

"I felt I could get a better perspective from a distance of 450 miles. If I had been on the ground I could not have properly sized out the situation, and I would have been bothered by all the petty matters of the strike."

More and more business men are coming to realize the value of getting 450 miles away from their work, figuratively speaking.

In many ways the Englishman has solved this problem of eliminating attention to details better than has the American or the Canadian business man. Many British business executives seldom come into their offices. They spend a week-end at someone's country place; then trot over to Paris for a few days, and come back for a little shooting in the Highlands. On the way back and forth they may drop into the office to see what is doing. Yet all the time they are making plans and directing policies. They are doing the really big things that the executive head of a business should do rather than attending to matters that a paid clerk or official can attend to.

Not long ago, a Canadian business man went to England, and, while there, had considerable to do in a business and social way with one of these English business men of the detached viewpoint. At first he felt a certain amount of amusement at the seemingly irrelevant part the business affairs of his English friend played in his ordinary life. He seemed to pay no attention to such concerns at all, and, as a matter of fact, was not often at his office. But, in the course of time, the Canadian learned that his English friend knew all the intimate matters of his business thoroughly; had a sound grasp on the direction of his company, and yet, by eliminating matters of detail from his routine, was giving a powerful and progressive direction to its affairs.

On this side of the water executives find it harder to get away from their business to the same degree. Measured by the results of the past few generations, American and Canadian business has advanced far beyond British business. The British have lost dominance in many industries they once controlled internationally. American methods have won world markets. Under these circumstances it seems at first thought unwise to quote English methods as ideal. But every Canadian business executive who knows the difficulties of getting away from the small things, and who appreciates the value of giving his business hours over to the working out of big plans, envies the average Britisher's ability to get away from the letters on his desk.

LACK OF INFORMATION

(Toronto Globe)

The Canadian delegates to the World Power Conference are reported to have agreed that there were no processes for utilizing peat, depending upon mechanical pressing and artificial drying, that would prove economical for many generations. Yet those were the processes on which the Dominion government spent a large amount of money at Alfred, Ont.

Current Opinion

EFFECTS OF SINGLE TAX

(Bridgeburg Review, Ont.)

Fort Erie has gone far enough toward complete single tax

This year buildings are taxed only to 40 per cent. of their assessed valuation. Next year, unless a charge is effected in January, buildings will be exempted 80 per cent. of their assessed valuation.

These exemptions place a heavy burden on unimproved property. The burden is so heavy that much property will have to be bought in by the town for unpaid taxes. The town treasury is not benefitted by uncollectible taxation.

Up to a certain point, improved property tax exemption is valuable. But the path toward single tax should not be followed to the end. Holders of unimproved property should be encouraged to improve it. They cannot be bludgeoned into building.

It is time for a change.

NO NEED FOR BLUE RUIN TALK

Lethbridge Herald

While it would be foolish to minimize conditions which have arisen in regard to the crops, it would be the height of folly to give any diligent heed to what is spread around by the alarmists. When it is said that the reports that come forth from Chicago in respect to the crops are sent out for purely political purposes we can take this to be true, and, accordingly, discount all the talk of blue ruin when it comes to the crops which Western Canada will produce. Miss Cora Hind of the Manitoba Free Press hit the nail on the head when she said that no one, no matter how expert he may be, or how far he may travel, can tell for a moment, at least even approximately, what the crops will be in any one of the three prairie provinces. This was the conclusion she arrived at after an extensive tour of inspection throughout Manitoba, Saskatchewan, and Alberta.

Miss Hind is a practical woman, conservative in her estimate of crops, and, when she says that she believes that even in the very driest areas wheat put in on well-prepared summer fallow will yield a paying return, while in certain sections where there has been a reasonable amount of rain a good percentage of the summer-fallowed crops will yield as heavily as they did last year, she considerably discounts uncalled for pessimism

THE CROW'S NEST PASS MESS

(Kingston Standard)

All over the country attention is being drawn to the mess which the Dominion government has made in connection with the Crow's Nest Pass freight rates. It was warned what would take place but it persisted, and now the Board of Railway Commissioners has been forced to take the matter up. At one time it was thought it would be a matter which parliament could alone deal with but fortunately this does not appear to be the case. A letter from Mr. Carvell has been received at Hamilton in which he says: "We realize that this is a big matter and must be faced, and it is my opinion that every phase of it can, and should, be tried out at the same time, because practically all complaints get back to the same legal question, namely, whether or not on account of the compelled Crow's Nest rates, any higher rates from other points are discriminatory."

It is a "big matter" as complaints about discriminatory rates are being made from one end of Canada to the other. But there is another. What sort of a government is this for Canada which, though warned of what will take place, still goes on pursuing a bad course? That is a point for the country to consider. And this is not the only instance of incompetency to grasp facts shown by this government. Alterations have been forced in the sales tax, the tax on cheques and so on, while some of the laws which it has passed are simply being ignored, such as those about grading eggs and selling vegetables by weight. It is most certainly "time for a change."

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All American Banking Features Not Good Here

Parliament has sat down hard on the proposed plan of establishing a federal reserve bank. And in doing so Parliament has done well.

The plan was favored chiefly by western members. They know that there is a federal reserve bank in the United States, and that it fulfils a useful purpose in rediscounting for the ordinary banks, thus increasing the stability of the banking system and strengthening public confidence in it. In the eyes of too many Canadian public men, any United States institution must be good and worth imitating. The fact that there is a federal reserve bank across the line is enough to justify the establishment of such an institution in our own country—so these western members conclude.

They give no consideration to the fact that the American and Canadian banking systems are not identical. What works well in one case might not work well in the other, or may be unnecessary. It is doubtful if the federal reserve plan would prove satisfactory in Canada, where there are but a few banks with many branches. Besides, it is not necessary. American financial experts who testified before the Banking and Commerce Committee at Ottawa recently admitted that the Canadian banking system possesses most of the advantages which have been gained in the United States by the establishment of the reserve bank.

In fact the Canadian Finance Act endows the federal finance department with the powers which are exercised by the American reserve bank. It provides that the minister of finance may make advances to the chartered banks upon pledge of the following classes of securities:

Treasury bills, bonds, debentures or stocks of the Dominion of Canada, the United Kingdom, any province of Canada, and of any British possession; public securities of the government of the United States; Canadian municipal securities; promissory notes and bills of exchange secured of documentary title to wheat, oats, rye, barley, corn, buckwheat, flax or other commodity; promissory notes and bills of exchange issued or drawn for agricultural, industrial or commercial purposes and which have been used or are to be used for such purposes.

The act is comprehensive enough, consistent with safety, to afford our banks every facility which is enjoyed by the U. S. banks under the federal reserve plan. Why, then, rush into change, moved thereto by a passion for imitation?

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News and Views of Bond Market

BOND LEVELS TO BE AFFECTED BY EVENTS ABROAD

New Buying Power Would Create Demand for Industrial Funds

If there is the improvement in the European economic situation as the result of the program recommended in the Dawes report which the exchange and stock markets would seem to indicate, it will have far-reaching effects on investments, including the prices of bonds, in the opinion of close students of the bond market. The effect would be felt in this way: With a measure of credit stability Germany would extend industrial activities. This would provide keen competition in world markets for the goods she manufactures, but, with increased trade, would come increased buying power on the part of the people, and this would be reflected in an enlarged demand for the wheat and other food products of the United States and Canada, as well as materials for her factories. Better prices for farm products would restore in a measure the buying power of the agricultural community and create a tendency to make purchases which have been deferred during the period of low prices. The consequence would be better business for the manufacturers of the country and a stronger demand for commercial credits which in turn would have its effect on money rates and not only check the tendency of the banks to put their funds into bonds, but later bring them into the market to realize on their bond holdings for funds for other purposes. This is going far ahead of a movement, the inauguration of which may be yet deferred, but it fits into the logical cycles of the investment market which are worked out in shorter or longer periods. There is no indication as yet of increasing in bond prices—and there may be higher quotations before the definite turn, but an improvement in business conditions in the Western States, where the agricultural depression has been particularly felt, is already reported as the result of higher prices for farm products. Similar influences may be expected in Canada, but as yet it is early to definitely forecast the effect of the crop in restoring purchasing power.

The Canadian market continues strong. There is a seasonal dullness which affects the volume of business, but lists in the hands of brokers are much depleted and there is very keen bidding for such issues as are being offered. These have not been large, but the competition is indicated in the fact that for the Dundas issue there were five bids within half a point, between 100.63 and 100.167, while in the case of Dorval there were nine bids between 102.67 and 100.756. It is felt that the situation is now one where the high prices prevailing and the demand of investors for something to show larger yields will induce industrial companies to enter the field, but this is not likely to be the case until after the holiday season.

The Federal Loan

The market is regarded as being in good shape technically for the flotation in Canada of at least a portion of the loan which the Dominion government is planning. It is thought that Mr. Robb will at least provide the opportunity for Canadian holders of the maturing issue to re-invest if they are prepared to take the prevailing market rate of interest. Such investors, it is argued, would not be attracted by bonds of a lower grade in any event. Also there is now being discussed the possibility of Mr. Robb seeking funds in London. He is now in England and will no doubt sound out the situation there and with the recent developments in exchange it is now figured that an issue in the British market is a feasible financial operation. A three cornered loan—London, New York and Domestic issues, at favorable rates would provide for Canada a splendid world advertisment as to financial stability.

Thomas, Armstrong & Bell Successful With Issue

MONTREAL.—The report from St. John to the effect that difficulty was being experienced in financing the Admiral Beatty Hotel seems to have been based upon misinformation. THE FINANCIAL POST is informed by Thomas, Armstrong and Bell, Limited, who have had charge of the financing of the enterprise, that practically all of the securities have been placed.

Thomas, Armstrong and Bell have placed the first mortgage bond issue of $600,000, and have since underwritten $480,000 of the issue of the $600,000 of 7 per cent. convertible debentures. Of this amount only about $60,000 remains to be sold. A committee of citizens, not the board of trade, as previously reported, disposed of $120,300 of these debentures, or about one-tenth of the total financing.

The hotel will have 184 guest rooms.

IT PAYS TO ASK BEFORE YOU BUY

More than $1,750,000,000 is stolen every year from the people of the United States, declared District Attorney Banton, of New York, in an address at the convention of the National Association of Credit Men. Of this, he said, $160,000,000 was lost through commercial frauds and $1,000,000,000 through worthless securities.

New York Bond Houses Look for German Loan

NEW YORK.—Bond houses report fairly heavy selling of bonds by institutions and dealers such as usually procedes the offering of an important issue. Whether this is in preparation for the German loan, the approaching Baltimore & Ohio financing or some other issue is not clear.

While some bankers looked for the German loan this month it may be delayed until later if things do not move as rapidly in London as expected. Obviously final details of the loan cannot be completed until absolute agreement with the Germans is reached. Previous experience with them does not lead to assurance of prompt action on their part if they can conceive any advantage in delay.

BUSINESS REVIVAL ABSORBS SURPLUS OF PAST SAVINGS

Funds Formerly in Bonds Seek More Speculative Investment

One of the subjects discussed by the economic section of the British Association for the Advancement of Science was the question of the importance of the business cycle in relation to the bond and stock markets.

At a time, such as the present, the surplus funds of the community or the product of past saving, are invested in bonds. When business begins to revive, and as opportunities for more speculative investment arise, there is a gradual transfer of funds from bonds to business and to the stock market. This is marked by a decline in the volume of bond sales. It is usually evident first, however, in the stock market in the form of increased sales and higher prices. Some months after this takes place there is a beginning of business revival, and it is some months later before the change affects the money market.

The particular importance of this to those interested in bonds is the phase of the cycle which we are presumably, just approaching at the present time. If present stock market firmness proves to be more than a temporary movement, then we must look for the change which has been referred to. As funds seek more remunerative investment in the security markets, and later in business, there is an inevitable reaction on the prices of bonds. It will, therefore, be to the interest of those concerned with the security markets to follow THE FINANCIAL POST business barometer which apears on Page 2 of the first issue of each month.

METROPOLITAN BLDG. OFFERING GOES WELL

Syndicate Members Well Satisfied With Reception Issue Has Received

Members of the syndicate handling the Metropolitan Building issue say that their offering has met with an excellent reception. They have had the best of luck, and are satisfied that they will complete the placing of the issue in short order. They feel that the present market situation is much in their favor. The market is strong, they say, due to the scarcity of offerings, while investment funds seem to be coming forward quite freely.

The site of the Metropolitan Building is on the corner of Victoria and Adelaide Streets, quite close to the general post office. There is now a three-story office building on it. This is being demolished to make way for what will be the highest office structure within the Empire. That there will be no trouble in renting the office space, immediately it is available, is the view of those behind the venture, who cite the fact that in ten of the largest down-town office buildings the percentage of vacancies is only five per cent., while in some places there are waiting lists.

American Flotation of Bonds Lower in July

After reaching a record-breaking total for the six months ended June 30, the volume of state and municipal bond flotations fell off sharply in July, says the Daily Bond Buyer, of New York. Few large cities entered the bond market and there was a marked scarcity of issues of state obligations.

Municipal bond prices have been advancing for several months and the trend of values throughout July was consistently upward. The relative scarcity of new bonds is a factor of importance in this connection.

ARGUMENTS FOR PLACING LOAN IN DOMESTIC FIELD

Funds Available Which Would Not go Into Industrials

In financial circles opinion is divided as to whether it is to the economic advantage of Canada to do her national financing, in part at least, at home, on the basis that interest and principal will then both be paid here, or whether the money should be secured abroad so that the money of our own people will be available for the development of the country's resources. In the following article by J. Courtland Elliott are given some of the arguments favoring a domestic issue by Mr. Robb as part of his present financial program.

The problem of where the Dominion loan will be placed this fall must soon engage the attention of the minister of finance. Over $100,000,000 must be raised to refund the 1924 Victory Loan bonds maturing on November 1 and from present indications it is quite possible that the funds will be secured in New York to repay the Canadian bondholders.

The strength of the bond market there has been extraordinary recently, and no difficulty would be experienced in absorbing one of two hundred millions of the premier Canadian security. That a good price will be realized is evident from the firm demand for Dominion of Canada external 5 per cent. bonds due 1952 which are selling around a 4.80 per cent. basis.

Reinforcing the advantages that will come from a somewhat better price basis than may be secured in Canada and from the small premium on American funds, merchants' associations and other organizations have been urging the release of the funds now invested in 1924 Victorys as a stimulant to business.

This is really the crux of the problem. Whatever temporary financial advantages may be offered by the United States in the way of price and exchange premium must be regarded also in the light of the economic results of external flotation.

Viewed from this point of view the key to the situation is that the government will not be richer by one cent as a result of the flotation; the net result will only be that there will be a readjustment in the distribution and form of wealth in Canada. Some holders will be paid off with the savings of new investors.

In an internal issue this readjustment is of minor economic consequence; if the loan is floated in the United States it becomes of supreme economic importance.

The main objections raised by the opponents of an internal flotation are that buying and investment power is being restricted by the tying-up of Canadian money in government bonds, and business cannot revive, they claim, until these funds are released through expenditures or productive investment.

Want Gilt-Edge Bonds

From one poiont of view, these objections are absolutely valid. There is not now, nor is there likely to be in the near future, a sufficient supply

(Continued on page 16)

UNLISTED BONDS

(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	95⅛	95⅜
Alabama 5% 1962	79½	80
Ames Holden 6% 1947	..	42
Belding 5% 1936	86	..
Belgo Can. Paper 6% 1943	94⅛	95¼
Brompton 8% 1941	108	110
Burns, P. & Co. 6½% 1943	98	100
Can. National Rly. 5% 1954	100	100⅜
Calgary Brewing 5% 1942	78	..
Can. Steamship Lines 7% 1942	95½	96½
Can. Light & Power 5% 1949	81½	82¼
Consumers Glass 6% 1935	85½	88
Can. Steel Foundries 6% 1936	98¼	..
Dom. Iron 5% 1939	..	65
Dom. Power 5% 1932	91	..
Dom. Textile 6% 1949	102	102
East Koot. Power 7% 1942	100⅜	101¼
Fraser Co. 8% 1941	105¼	105¾
Frontenac Brewery 6% 1951	..	88
G.T.P. 4% 1955	72½	..
G.T.P. Sup. 4% 1955	73	..
Holt, Renfrew 5% 1937	..	96
H. Smith Paper 7% 1941	96	96
Lake Sup. Paper 6% 1941	105	..
Laurentide Pow	97½	98¼
Laurentian Power 6% 1936	95	96
Maple Leaf Milling 6½% 1943	101	..
Maisonneuve 5% 1954	98¼	..
Man. Power 7% 1941	99¾	100⅜
Mattagami	25	..
Montreal Pub. Ser. 5% 1942	87½	88
Montreal Steel Works 6% 1940	99	..
Province of Ontario 5% 1948	100¼	100¾
Nor. Ont. Power 6% 1931	93¾	94½
Ontario Pulp 6% 1931	105	..
Price Bros.	98¾	99¼
Paton Mfg. Co. 6% 1953	93	..
Porto Rico Rly. 5% 1962	61½	64
Shaw. Cotton 6% 1949	..	78
Shawinigan 5½% 1950	102	..
Shawinigan 6% 1950	101¼	102½
South Canada Power 6% 1949	101	101½
Spanish River 8% 1941	106¼	106¾
St. Maurice Power 6½% 1953	104⅜	105½
Wabasso Cotton 7% 1942	..	93½
Windsor Hotel 6½% 1943	100¼	101½
West. Koot. Power 6% 1943	100	..
West. Power 5% 1949	90½	..
West. Power 7% 1926 debs	98	..
Quebec Power 6% 1953	97⅜	98¼
N.S. Steel 6% debs	..	50

BOND MOVEMENTS OF THE WEEK

WEEK ENDING AUGUST 12

BONDS	Int. Rate	Due Year	Yield	Range 1923 High	Range 1923 Low	Range 1924 High	Range 1924 Low	Ask	Latest Price Bid	Latest Price High	Latest Price Low
Canada Bread	6	1941	5.85	100	96	101½	98¾	102	101½	101½	—
Canada Cement	6	1929	5.76	103½	100	103½	100	—	100	101	—
Cedar Rapids	5	1953	5.16	98½	93	99¾	95	99½	98	98¼	97
Dom. Iron	5	1929	6.92	94	84¼	97⅜	85	93	91	92	—
Montreal Power	4½	1932	4.88	95	—	97⅜	92	97⅛	96	97⅜	—
Montreal Trams	5	1941	5.50	92⅜	87½	94½	91	94	93⅜	94½	94⅜
N.S. Steel	5	1959	6.90	92	84⅜	84½	77	78¾	76½	77½	—
Quebec Rly.	5	1939	6.24	83½	68	88¾	80	—	88⅜	88⅜	—
Steel of Canada	6	1940	5.71	102½	99	103	82	—	102⅜	103	—
Wayagamack	6	1951	8.34	86¾	75	103	74¾	—	74¾	74¾	—
War Loan	5	1925	4.22	100.95	99.10	101.15	100.15	101.00	100.90	100.75	—
Do.	5	1931	4.83	181.80	99.80	101.90	100.15	101.30	101.20	101.15	100.90
Do.	5	1937	4.79	103.30	102.00	103.30	102.10	102.90	102.75	102.75	102.70
Victory Loan	5½	1924	1.47	106.65	99.80	100.90	100.05	100.35	100.25	100.25	100.10
Do.	5½	1927	5.40	103.50	101.00	103.15	102.15	102.80	102.70	102.90	102.60
Do.	5½	1933	4.80	106.70	104.15	106.65	104.30	105.30	105.20	105.25	105.00
Do.	5½	1934	5.11	103.90	101.30	103.60	103.00	103.30	103.20	103.40	103.10
Do.	5½	1937	4.77	108.45	105.25	108.17	102.65	107.60	107.50	107.80	102.65
Do. Renewal	5½	1927	5.13	102.80	100.75	101.80	101.00	101.80	101.65	101.60	101.45
Do. "	5½	1932	5.01	103.15	100.80	103.20	101.30	103.10	103.00	103.10	103.00
Do. Refunding	5	1928	5.00	99.70	98.80	100.50	99.20	100.20	100.10	100.25	100.00
Do. "	5	1943	4.86	99.25	97.90	101.95	99.90	101.55	101.45	101.55	101.35

INVESTMENT SUGGESTIONS

Laurentian Power Co. Ltd.
1st and Ref. 6's—1936
to yield
6.20%

Duke-Price Power Co. Ltd.
1st 6's—1949
to yield
6%

Details on application.

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5½% Bonds Due 1st April, 1939-1948
Price: Rate to yield 5.35%
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Indications point to higher bond prices this autumn.
We therefore recommend purchase at to-day's levels.
May we send our list?

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UTILITY BOND ISSUE

A small block of Cape Breton Electric, 5 per cent. bonds is being offered in Montreal. The price is around 86, yielding 7½ per cent. and the bonds are secured by a first mortgage on the entire property of the company. Additional bonds can be issued only to the extent of 80 per cent. of the cost of permanent extensions and improvements. The company has been under the management of the Stone & Webster organization since 1900.

Duke-Price Power Company

Limited

First Mortgage 6% Gold Bonds

Dated July 1, 1924 Due July 1, 1949

Bonded debt of $33 a horsepower is the lowest of any known comparable development.

The power plant can be operated at high capacity throughout the entire year.

Resulting net earnings from a contract with Price Brothers & Company will *alone* be equal to 1¾ times bond interest charges.

The Company will also have revenue from the sale of 160,000 additional horsepower.

Price at market to yield about 6%

Special circular upon request.

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Limited

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14 Central Chambers OTTAWA
10 King Street East TORONTO

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The Week's Bond Sales

DUNDAS DEBENTURES

R. C. Matthews & Co. were successful bidders for an issue of $15,000, 5½ per cent., 15 instalment bonds of town of Dundas. The price was 100.63. The tenders were:

R. C. Matthews & Co.	100.63
McLeod, Young, Weir & Co.	100.62
Gairdner, Clarke & Co.	100.27
Wood, Gundy & Co.	100.176
C. H. Burgess & Co.	100.167

PT. GREY, B.C., SALE

Royal Financial Corp. was awarded two issues of District of Pt. Grey, B.C., one was $160,000, 5½ per cent., 15-year, and the other $162,000, 5½ per cent., 20-year. The price was 100.675. The tenders:

Royal Financial Corp.	100.675
Wood, Gundy & Co.	100.39
Waghorn, Gwynn & Co., Odler, Clarke & Co., Gillespie, Hart, and Todd Co.	100.377
A. E. Ames & Co.	100.194
Royal Securities Corp.	98.77

DORVAL, QUE., DEBENTURES

Credit Canadien, Inc., with a bid of 102.67 were successful in securing an issue of $50,600 of Dorval, Que., bonds. They are 6 per cent., 10 years. The tenders:

Credit Canadien, Inc.	102.67
Hanson Bros.	102.53
Wood, Gundy & Co.	102.37
Versailles, Vindricaire & Boulais	102.01
Dominion Securities Corp.	101.77
Municipal Debentures Corp.	101.77
L. G. Beaubien & Co.	101.29
Rene T. Leclerc, Inc.	101.25
A. E. Ames & Co.	101.756

POINTE CLAIRE, QUE., SALE

The balance of a debenture issue authorized by by-law some time ago has been sold by Pointe Claire to Wood, Gundy & Co., at 100.368. They are 5½ per cent. The tenders:

Wood, Gundy & Co.	100.360
Dominion Securities Corp.	99.677
Mead & Co.	99.64
A. E. Ames & Co.	99.319
Royal Securities Corp.	99.288
Rene T. Leclerc, Inc.	99.10
La Corp. des Obligations Municipales	99.075
Versailles, Vindricaire, Boulais, Lte.	99.03
L. G. Beaubien & Cie	98.80
Credit Canadian, Inc.	98.54

BEAVERTON SCHOOL BONDS

Beaverton has sold an issue of $40,000, 5½ per cent., 30-year instalment bonds to C. H. Burgess & Co. at 101.11. Their tender was second highest but it included an offer to print the debentures, and this was accepted. The funds are to be used in erecting a new public school. The tenders:

C. H. Burgess & Co.	101.11
Bird, Harris & Co.	101.12
Matthews & Co., Ltd.	100.46
Wood, Gundy & Co.	100.43
A. E. Ames & Co.	99.47
Wm. C. Brent & Co.	98.79
McLeod, Young & Weir	98.27

SHAWINIGAN SCHOOL ISSUE

A. E. Ames & Co. have purchased the issue of $78,000 of *Shawinigan Falls School Commission. The bonds are 30 installment 5½ per cent. and the price was 101.33. The bids:

A. E. Ames & Co.	101.33
Wood, Gundy & Co.	100.06

STE. ANNE DE BELLEVUE

Mead and Co. have secured the issue of $35,000, 30 year serial 5½ per cent. bonds at 100.31. The tenders:

Mead & Co.	100.31
A. E. Ames & C.	100.222
Wood, Gundy & Co.	100.155
Credit Anglo-Francais	99.693
Dominion Securities Corp.	99.677
Municipal Deb. Corp.	99.57
Rene T. Leclerc, Inc.	99.40
Versailles, Vindicaire, Boulais	98.26
L. G. Beaubien & Co.	99.02
Credit Canadien, Inc.	98.67

Tenders and By-laws

Aug. 18, Scarboro Tp.—$308,019, 5½ per cent., 5, 10, 20 instalment bonds. J. T. Stewart, treasurer, Birchcliffe.

Aug. 18, Westmount, Que.—$150,000, 5 per cent., 20-year debentures. E. W. T. Raddon, treasurer.

Aug. 21, Greenfield Park, Que. — $35,000, 5½ per cent., 40-year debentures. E. J. Allwright, sec'y-treas.

Aug. 27, Hawkesbury, Ont.—$18,561.78, 6 per cent., 20-instalment bonds. J. O. Bertrand, clerk-treasurer.

BYLAWS

Quebec City, Que.—Quebec municipal affairs dept. has approved $630,000 and $200,000 loans. The city is not contemplating an issue.

Windsor, N. S. — Will apply to provincial government for authority to expend $5,000 for waterworks purposes.

Owen Sound, Ont.—Council has decided to issue $42,000 school bonds.

Cranbrook, B.C.—Will issue $8,000 debentures for water mains.

Ford City, Ont.—By-laws passed for the issuing of 10-year bonds, totalling $27,214.

Lachute, Que.—Ratepayers approved $60,000 debenture by-law.

Chatham, Ont.—Council approve by-law to issue $50,000 debentures to buy Sanita Hotel to be converted into vocational school.

Wingham, Ont.—Ratepayers endorsed the $25,000 school by-law.

Fort Erie, Ont., council passed a by-law authorizing the issuance of debentures for $20,000 to cover the expense of completing the sewage pumping station.

Municipal and Provincial Finance

HIGH TAXES ON UNUSED LANDS IS CONFISCATION

Property is Being Allowed to Revert to the Municipalities

The unenviable position of holders of non-revenue bearing land in the west, who are in some instances taxed on the basis of the former assessed value of their property rather than the depreciated value, was the subject of part of a paper read by C. J. Yorath, at the convention of Canadian Municipalities held in Windsor. Mr. Yorath said, in part:

During the real estate boom in Western Canada of 1911-1912 owners of property did not mind paying taxes on vacant property although its valuation for assessment purposes might have been excessive for the reason that the salable value of their investment was rapidly increasing. Then when the financial depression came in 1914 and the years immediately following the close of the war those who were left with vacant property on their hands continued to pay taxes with the hope that conditions would improve and they would be able to dispose of same.

This period of waiting was longer than anticipated, but when business conditions improved as a result of the war the owners of taxable property were able to obtain sufficient revenue from other sources to enable them to continue to pay taxes. During the last few years, however, on account of the business depression, these owners have realized that they cannot continue to pay taxes on property which is not revenue producing and are allowing their titles to lapse to the municipalities.

In other words the basis of taxation insofar as vacant, unimproved land is concerned, is on the verge of collapse, and those responsible for raising revenue to finance the various municipal services are beginning to realize that unless the system is altered, revenues obtained from other sources, and expenditures radically curtailed, a serious crisis cannot be averted.

In addition to municipalities obtaining title to property instead of taxes, they also have to assume the local improvement debt which has been assessed against same so added to the loss in revenue the remaining taxpayers on the roll must also pay the fixed charges on the property taken over by the municipality. In one city in the West this has meant an increase in the tax levy this year of $85,000.

Such a process cannot continue if municipalities are expected to continue existing services. Something must be done to remedy the situation, and in order to arrive at a satisfactory solution the problem must be understood.

Property instead of being assessed upon its earning or rental value has been assessed upon a potential capital value, and this value during the boom in real estate, was, to say the least, excessive, resulting in taxation which afterwards meant confiscation.

Adjusting Vacant Lands

Municipalities have, to a certain extent, realized the fallacy of the situation by reducing, during recent years, the assessed value of vacant lands.

In one city in Western Canada the assessed value of land has been reduced from $191,000,000 in 1914 to $40,000,000 in 1924.

The assessed value of property for taxation in six of the largest cities in Western Canada has been reduced from $949,412,859, in 1914 to $629,504,338, in 1924 and during the same period the tax levy on property has been increased from $16,388,771 to $19,832,925, so that with a considerable reduction in the potential taxable wealth the owner of property is expected to pay greatly increased taxes.

In 1914 the tax levy for educational purposes in the above six cities was $3,934,188 and now it is $7,932,606. This increase of $3,997,418 accounts for more than the increase in the total tax levy on property, in other words while city councils have been endeavoring to reduce the tax levy on property the school boards have increased their expenditure by over 100 per cent.

As a result of the system of assessment and taxation in vogue tax arrears have accumulated to an alarming extent. In the cities above referred to tax arrears have increased from approximately six to 24 million dollars and as previously pointed out those property owners remaining on the tax rolls have to carry an ever-increasing burden due to the confiscation of property by taxation.

The two policies of decreasing the sources of revenue of the local municipalities and increasing expenditures, particularly on education, cannot be continued.

How long is it going to take to make the superior governments, i.e., the Dominion and Provincial, realize this situation? Are they going to allow it to drift until there will be a financial collapse? In the best interests of the Dominion the question of assessment and taxation must be investigated and adjusted without further delay.

While it is true that the expenditure of the Dominion Government has been increased from $111,824,303 in 1913 to approximately $350,000,000 to-day and the expenditure of the four Western provinces has increased from $33,833,854 to $53,000,000 during the same period, increased sources of revenue cannot be obtained to finance this increasing expenditure without due consideration of the rights and obligations of the local municipalities, particularly when the latter are assuming the ever-increasing cost of education.

During and since the war the provinces of Manitoba, Saskatchewan and Alberta in addition to all the taxes which they have imposed and which have seriously encroached upon the sources of revenue of the municipalities, have super-imposed a tax on land in spite of the fact that the municipalities are obtaining title to property instead of taxes. Such a blind piece of taxation folly is an indication of the provincial government's regard for the financial difficulties in which the majority of municipalities find themselves to-day. The situation would be grotesque if it were not so serious.

Contractor Made Error; Should Price be Raised?

Should a municipal council hold a firm to its tender when the price involved was, it is claimed, submitted in error? This question comes up in connection with the contract taken by the Ontario Foundation Co. for sewer construction work in the township of York. The company submits that it made an error to the extent of $20,000 in estimating, explaining that a mistake in multiplication led to an estimate of $123,000 instead of $143,000, as reached in the revised calculations. The company points out further that the estimate was $50,000 lower than that of the next lowest tender, and that if amended, as suggested, it would be still $30,000 under the next bid.

Reeve Graham has expressed the opinion that the council should compel the company to carry out the contract, suggesting that the company appeal to the bonding company for the amount involved in the error. As a matter of principle he does not think that the council should raise the figure after tenders have been called, and one of the tenders accepted. However, the matter has been left to the township engineer and solicitor to make a report.

Municipal Notes

CONVERT HOTEL INTO SCHOOL

Chatham city council has passed a by-law authorizing the issue of debentures to the extent of $50,000 to cover the purchase of the Sanita Hotel property which is to be converted into a vocational school.

LOWER TAX RATES

At a recent meeting of the council of Stirling Village, a tax rate of 44 mills was struck for 1924. This is one mill lower than the rate for last year. The total assessment for 1924 is $441,531.

The finances of Hepworth village appear to be in very satisfactory condition, according to the tax rate decided upon. At a meeting of the village council last week the tax rate for 1924 was struck at 35. This is believed to be the lowest rate in Bruce County.

HYDRO TAXES IN STAMFORD

Some little discussion has arisen with regard to the amount of taxes which should be paid to Stamford Township by the Canadian Niagara Power Company, owned by the Hydro Electric Commission. The ratepayers have objected to a by-law which gives the power company the right to make an annual payment of $80,000 per year for ten years as taxes for all purposes, based on an assessment of $3,200,000. The township council passed a resolution that the matter should be delayed for further consideration.

MONTREAL'S SURPLUS

According to the recently published annual report of the city of Montreal, there was a balance on hand on the first of January of $1,182,875. The total receipts of the city during 1923 were $73,102,339, and the disbursements amounted to $71,919,763. Receipts on general revenue during 1923 exceeded similar receipts for the previous year by $1,464,292. Furthermore, they exceeded the original and supplementary budget estimates for the year by $860,730.

SCHOOL BOARD HAS SURPLUS

An example has been set by the Godolphin School Board in laying aside a surplus during the lean years to offset the difficulties of a period of depression. As a consequence, when the Perry Township Council met last week to consider the raising of a levy for school purposes it was found that none was required. With a surplus on hand and the regular grants, they have sufficient funds to carry them over.

GOOD COLLECTIONS AT FORT WILLIAM

Judging from the dispatch with which Fort William paid its taxes this year, the city would appear to be in a fairly healthy condition from a business standpoint. Tax returns for the first six months of 1924 reached the record figure of $501,261 out of a total levy of $1,064,150. The percentage of collections during the period was 94.2 which is the highest record for many years.

SUDBURY REDUCES TAX RATE

At a meeting of the town council of Sudbury held August 6, a tax rate somewhat lower than that of last year was struck. The public school rate is to be 44.3 and the separate school rate 55.3. This is a reduction of 2.3 mills in the former and 4.3 in the latter. The various items of assessment for the year are as follows:

General purposes	$6,253,361
High school	6,253,361
Public school debentures	4,126,157
Public school maintenance	4,188,682
Separate school deben.	2,163,423
Separate school maint.	2,100,988

CANADIAN RAILWAY STATISTICS

Figures compiled by the Dominion Bureau of Statistics show:

	1924	1923
April loadings and receipts from		
Revenue	May, 1924	1923
Revenue	19,350,770	20,852,460
connections	7,007,545	88,337,489
Oper. exp.	19,606,093	18,944,044
Net. rev. dif.	255,323	1,908,416

5 Months' Revenue
All Railways

	1924	1923
Oper. rev.	$173,550,451.33	$169,325,996.55
Oper. exp.	159,285,570.31	160,259,492.72
Net. op. rev.	14,264,881.02	9,066,503.83
Oper. inc.	12,434,368.88	8,637,319.10

TAX DEBATE BY OTTAWA AND THE PROVINCES

Questions of Jurisdiction and Overlapping Subjects of Discussion

The question of jurisdiction and overlapping in the case of federal, provincial, and municipal taxes, is giving rise to much interest and discussion in various parts of Canada in view of the fact that there is a large degree of over-taxing in certain cases, where, for example, two or possibly three different income taxes are imposed by different authorities. At the annual convention of the Citizens' Research Institute last fall a resolution was passed that the Dominion government should call an official tax conference, to which the provinces should be invited, to discuss these various matters, such as overlapping in taxation. It has just been announced that when Hon. J. A. Robb, acting minister of finance, returns next month such a conference will be summoned with the provinces.

This is a question which is of interest to all parts of the country. The fact that there are as many as three income taxes in some of the provinces, taken along with other ordinary and special taxes, gives rise to an unduly heavy burden upon companies and individuals alike, and in some parts of the country it is felt that the present rate of taxation is approaching confiscation. The whole problem is an extremely important one in relation to Canada's future and the developments of the conference will be followed with interest by all parts of the country.

The Citizens' Tax Conference and the Citizens' Research Institute who passed the resolution will hold their annual convention this year in Montreal on September 10, 11 and 12, when there will be further discussion and research along these lines.

ADD TO OTTAWA'S UNPAID DEBT TOTAL

Nova Scotia Towns Ignore Bills for Providing Troops During Strikes

From Our Own Correspondent.

SYDNEY.—It is very unlikely that the militia department bill for $290,000 for military aid to the civil power during the violent Cape Breton coal and steel strikes of 1922 and 1923 will ever be paid. Mayors and other members of the joint expenditure board say the troops were called out by judges and other government officials and were not asked for, nor desired by the elected representatives of the people. Hon. H. C. V. LeVatte, warden of Cape Breton county, advances the novel claim that there were no troops in his municipality at all, and says it is up to the city of Sydney and surrounding towns, where soldiers were stationed, to settle with the government. It is said that the warden signed the requisition for troops. There the matter rests for the present. Similar bills against the towns of Glace Bay and Dominion, for military assistance in the strikes of 1909-10, are still outstanding and are faithfully rendered each year by government—but have never been paid.

Annual Convention of Canadian Municipalities

At the annual convention of the Union of Canadian Municipalities, which was held in Windsor last week, Mayor Frank J. Mitchell of Windsor was elected president of the union for the coming year. Mayor Dufresne of Shawinigan Falls, Que., is the retiring president. The other officers chosen are as follows:

First vice-president, Mayor Joseph Samson, Quebec; second vice-president, Mayor S. J. Farmer, Winnipeg; third vice-president, Mayor Napoleon Champagne, Ottawa; fourth vice-president, the Mayor of Victoria, B.C.; secretary-treasurer, Fred Cook, ex-Mayor of Ottawa and parliamentary representative at Ottawa for the Union of Canadian Municipalities.

Advisory Board—W. D. Lighthall, K.C., ex-Mayor of Westmount, Que.; Mayor T. D. Bouchard, M.P.P., St. Hyacinthe, Que.; C. W. McCrea, city treasurer of Sault Ste. Marie; Mayor W. D. L. Hardie, of Lethbridge; Mayor W. W. Hiltz, Toronto; Mayor C. Duquette, Montreal; Alderman C. W. Roberts, M.D., Westmount; Arthur Roberts, K.C., Bridgewater, N.S.; Dr. J. A. Dufresne, Mayor of Shawinigan Falls, Que.

Ontario executive — City Clerk S. Baker, of London; Mayor C. R. Newman, of Niagara Falls; Mayor Willard, of Galt; Miss A. M. Dickinson, city clerk, Windsor; the Mayor of Peterboro; City Clerk Kent, of Hamilton; Controller A. Ellis, of Ottawa.

Quebec executive — Mayor Arthur Bettez, Three Rivers; Mayor Brault, Sherbrooke; Mayor Walter Moisam, of Drummondville; City Manager Ortis, of Grand Mere; Mayor Joseph Beaubien, of Outremont, and Alex. Thurber, M.P.P., Longueville.

Additional members of the executive for the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Nova Scotia, New Brunswick and Prince Edward Island are to be named later.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

Date	Plate	Purpose	Sold To	Rate	Term	Amount	Price	Basis
Aug. 11	Pt. Grey, B.C.	......	Royal Fin. Corp.	5½%	15-20	$322,000	100.675	5.45
Aug. 12	Dorval, Que.	......	Credit Canadien, Inc.	6%	10	50,600	102.67	5.66
Aug. 12	Dundas, Ont.	......	R. C. Matthews & Co.	5½%	15	15,000	100.63	5.45
Aug. 13	Point Claire	......	Wood, Gundy & Co.	5½%	....	118,411	100.368	....
Aug. 11	Beaverton	School	C. H. Burgess & Co.	5½%	30	40,000	101.11	5.46
Aug. 13	Shawinigan Falls	School	A. E. Ames & Co.	5½%	30	78,000	101.33	5.46
Aug. 13	Ste. Anne de Bellevue	......	Mead & Co.	5½%	30	35,000	101.31	5.46

Our Trading Department

At all times we are prepared to submit satisfactory bids for the purchase, in odd lots, of Canadian Government, Municipal and high-grade Corporation Bonds.

The following, amongst others, are securities for which our market facilities will be found most dependable: Quebec Power 6's 1953, Mont. Public Service 5's 1942, Mont. Tram-Power 6's 1929, Mont. Tramways 5's 1941 and Belgo Can. Paper 6's 1943.

Enquiries invited

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NATIONAL TELEPHONE COMPANY

MONTREAL.—Royal Securities Corporation are offering $250,000 of bonds of National Telephone Company. This corporation operates a telephone system south east of Quebec city. It has about 2,000 subscribers. Proceeds of the bond issue will be used for the construction of a new long distance line and for extensions and renewals to existing system.

The bonds bear 6½ per cent. interest, mature in fifteen years and are being offered at 99 to yield 6.50 per cent.

The replacement value of the company's properties, is $770,000.

Financial statement of the company as at June 30, 1924, after giving effect to this financing, shows fixed assets of a book value of $484,521 (without including the value of repairs, renewals and new installation for which the sum of $52,500 is being reserved from the proceeds of this bond issue), and net working capital of $39,671.

Net earnings, after operating and maintenance expenses, for the year ended December 31, 1923, were $36,770—over 2¼ times annual interest requirements of this bond issue.

For the six months ended June 30, 1924, net earnings were $18,033.

THE MONARCH LIFE
IS A
GOOD COMPANY
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SECURITY

The Mutual Life Assurance Company of Canada, a purely mutual company with a Dominion charter and an absolutely stainless record reaching back over fifty-four years, has a special claim on the confidence of the people of this country. In addition to paying highly satisfactory dividends from year to year, the Mutual has continued to strengthen its financial position so as to provide against every possible contingency. According to the Dominion Government standard of solvency, the Mutual of Canada could pay all its claims, based on the latest mortality tables, and still have nearly ten million dollars of surplus funds.

Business in force, $269,982,566.
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Waterloo - - Ontario

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TOTAL BENEFITS
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Branches: Toronto, Regina, Calgary, Edmonton, Vancouver, Victoria, Edinburgh, Scotland.

An Actual Result

In 1904—20 Year Endowment Policy 21273 was issued for $5000.

In 1924, the Policyholder draws $7450 Cash—being $2580 more than he paid in premiums, besides having had protection for twenty years.

He had the option of taking $4795 in Cash and a paid-up policy for $5000.

Protection with Profit
The Great-West Life Assurance Company
HEAD OFFICE - WINNIPEG

Penniless Old Men
An Imperial Endowment Policy makes it easy for you to escape their bitter experience

The IMPERIAL LIFE ASSURANCE CO.
OF CANADA
HEAD OFFICE TORONTO

Insurance for Buyer and Seller

INSURANCE PERIOD EXTENDED TO AID GRAIN SHIPPING

Hon. P. C. Larkin Secures Beneficial Concessions

The Imperial Shipping Committee has announced that underwriters' warranties are to be extended from May 15 to Oct. 31 instead of from May 1 to Oct. 1 as was formerly the case. This will be a material benefit in the shipping of Canadian grain on the St. Lawrence as not only is the period extended an additional half month but a whole month is added at a time when it will do the most good.

This is being pointed to as an evidence of the benefit of having a business man at the head of Canada's affairs in London.

Hon. P. C. Larkin, Canada's High Commissioner, is said to have secured this concession by quiet negotiation with the insurance companies. He was also successful in getting Halifax placed on a parity with other Atlantic seaports. This is a material concession and the next move will be to get St. John on the same footing.

Thos. Robb, manager of the Shipping Federation of Canada, doubts if the change of season will benefit much, but his figure would belie this. He says the extra rate charged during the summer season is 20s per cent. and after that period an additional 20s per cent. the warranties would work out as follows: Original warranty of 1899—April 1 to September 1; September 2 to March 31; warranties to be cancelled on payment of 20s per cent. and 40s per cent. respectively.

This was amended some years ago to read: May 1 to October 1; October 2 to April 30; warranties to be cancelled on payment of 20s per cent. and 40s per cent., respectively. The latest modification is: May 15 to October 31; November 1 to May 14; warranties to be cancelled on payment of 20s. per cent. and 40s per cent., respectively.

It was pointed out by Mr. Robb that between the opening of navigation and May 15 of last year there were only fifty-five boats entered at Montreal and in the month of October there were 144 ships. This year between opening of navigation and May 15, eighty-one vessels came into the port.

AUTOS CAUSE 16 PER CENT. OF DEATHS

Of Fatal Accidents One-Fourth Are Due to Motors -- West is the Lowest

Automobile fatalities average 16 out of every 1,000 deaths, and one-fourth of the present accidental death total. These averages have been compiled by Metropolitan Life on the basis of the company's 1923 experience with its 15,000,000 industrial policyholders. In the year, 136,511 of the company's industrial policyholders died, and of these 9,259 were due to accidental causes, and of this total 2,242 were due to auto accidents.

The Pacific coast country leads with the highest mortality, while the Western Canadian provinces have the lowest. The heavy southern tourist states lead.

The Canadian figures, based on per 100,000 persons exposed, follows:

Eastern Provinces	7.9
Nova Scotia	6.9
New Brunswick	10.4
Quebec	9.4
Ontario	5.8
Western Provinces	6.3
Manitoba	*
Saskatchewan	*
Alberta	19.4
British Columbia	7.1

*—No deaths.

Partial Agreement on War Insurance Losses

Insurance companies with marine loss claims, and shipping concerns, will be interested in the proposed basis of settlement of the United States shipping claims for war losses against Germany. By it, private insurance companies receive $39,156,000 for their out-of-pocket losses on hull and cargo claims. The Veterans' Bureau (formerly the War Risk Insurance Bureau) would receive $29,032 000 for its out-of-pocket losses. Besides losses on war risk insurance written upon hulls and cargoes, these also cover losses arising under war risk insurance written on sailors. The figures given do not cover what are known as port of refuge cases. In other words, any claim for loss incidental to putting into a port of refuge as a safety measure is not embraced in the terms of settlement. For various reasons, the hull and cargo claims of some ten companies, amounting to $1,700,000, and the claims of admitted foreign companies, are likewise not a part of the settlement. It will be noted that this proposed basis of settlement does not cover the claims made by life insurance companies for amounts paid by them resulting from the death of policyholders because of German wartime operations. These claims are still under consideration, no action having yet been taken.

SMALLER LOG CUT IN ROCKIES

CALGARY.—That there will be a smaller cut of logs this winter was evident from remarks made at a meeting of the Mountain Lumber Manufacturers' Association just held here. Lack of export orders was the principal reason given for the diminished cut.

Largest Contract Bond Has Just Been Placed

Two contract bonds, aggregating $7,650,000, the largest ever written, have been executed by National Surety Co. They cover two sections of a large Philadelphia subway contract totaling $15,300,000. Practically every company, 22 in all, writing contract bonds participated either by means of co-surety or reinsurance.

SHAREHOLDERS GIVE APPROVAL OF SALE OF INSURANCE CO.

Ontario Equitable President Writes About Court Action

The defence in the action of A. C. Pratt and Miss E. Austin against the Policy Holders Mutual and others, has not been filed as yet, but S. C. Tweed, president, Ontario Equitable, has sent a circular to all shareholders, dealing with the action.

The action is to set aside an agreement by which Policy Holders' business was taken over by Ontario Equitable. Defendants named are F. C. Biggs, director, H. C. Tweed, and A. M. Featherstone, former manager of Policy Holders Mutual, and the two corporations. The claim is that the agreement to amalgamate was secured by duress.

Mr. Tweed in his letter says the agreement was made more than a year ago, and adds:

"Mr. Pratt was president of Policy-Holders' Mutual during the whole time the arrangement was being negotiated, carried through and completed. He was fully cognizant of all proceedings, signed the agreement as president and subsequently acted as a director of Ontario Equitable. The agreement between the two companies provided for payment by Ontario Equitable to shareholders of Policy-Holders' Mutual of the value of their shares. Both Mr. Pratt and Miss Austin as such shareholders, have accepted payment from the Ontario Equitable under the terms of the agreement, on account of their shares. The inconsistency of their present action needs no comment.

"Before any steps were taken towards the taking over of Policy-Holders' Mutual business by Ontario Equitable, the insurance department of the Ontario government was consulted to ascertain whether or not the department would approve such action. The department readily agreed that such arrangement would be for the benefit of all parties, including alike the shareholders and policyholders of the Policy-Holders' Mutual. The terms of the agreement were approved by the insurance department; and under the directions of the department the agreement was submitted to the shareholders and policyholders of the Policy-Holders' Mutual, and the shareholders of the Ontario Equitable, at meetings called for that purpose. Notice of such meetings was given to all the parties under direction of the insurance department. At both meetings the agreement was unanimously approved. The agreement was then executed and carried out with the full sanction of the department.

"What the motives of Mr. Pratt and Miss Austin may be in bringing this action, after having so fully assented to the agreement and accepted payment under it, or what good result they can hope to accomplish, is difficult to imagine. Defence to the action is being entered at once, and from the above statement of facts it will be readily understood that the Ontario Equitable and the individual defendants have no apprehensions as to the result of this most peculiar conduct on the part of Mr. Pratt and his co-plaintiff."

EXCESS COMMISSIONS SOURCE OF TROUBLE FOR FIRE BUSINESS

Conditions Bad in Canada, Says New York Paper

Officers of fire insurance companies operating in Canada are far from satisfied with the conditions in the business there. Although the loss ratio on fire insurance in Canada in 1922 was approximately 68 per cent., an unusual number of companies entered that field in 1923, thus materially increasing the competition, says New York Journal of Commerce, giving an outside view of the fire insurance business in Canada. After pointing out that the increase in premiums for the year was only about $3,000,000, and with more companies in the field, with competition fiercer, it adds:

A number of the new entrants are not members of the Canadian Fire Underwriters' Association, and there was already a considerable number of non-tariff companies operating in Ontario and Quebec—the territory of that organization—before the newcomers arrived. Efforts of the new companies to gain a foothold, often by payment of excess commissions under some form, have made it difficult for the old companies to hold their own and adhere to C. F. U. A. rules, with the result that violations are said to be frequent.

The Canadian Fire Underwriters' Association recently promulgated a number of rate advances as a result of the heavy loss ratios of the past few years. In the face of the non-tariff competition it is reported that much difficulty is being experienced in getting the new rates at some points. The association itself is said to be none too strong, some of the members being only lukewarm in meeting their obligations. The officers are making every effort to secure co-operation, but it is beyond their power to keep the members in line constantly.

One United States company official says that what is needed is a "new baptism," a determination on the part of the members that they will rally to the support of the association and make it a stronger and more effective organization. He expresses the belief that most of the British head offices would gladly back up their Canadian branches in effecting reforms if co-operation could also be secured among the American companies. A number of American companies, however, are outside of the association.

Commissions are one of the most serious disturbers in Canada. Some companies operate through Canadian managers, managing agents or general agents, who do business through local agents, but a number of others have so-called general agents, who, while they nominally have supervision over a whole province, appoint few if any agents, but write as local agents in their own cities and receive general agents' commissions. They are in a position to pay brokers as much as local agents receive, and in some instances more. The situation is similar to the one at Dallas, Tex., but on a broader scale.

Quarantine Bad Risk Buildings Being Urged

Quarantine buildings insofar as insurance is concerned, where the owners of the building have not complied with the fire ordinances of the city in every particular, such quarantining to remain in force until the ordinances are obeyed; also the right to cancel insurance in force, when fire laws are violated, are being urged by Pacific coast fire chiefs to cut down the heavy fire loss. The fire fighters are meeting in California.

The Record of Fire Losses in Canada

Property Place	Date	Damage	Insurance	Cause
Nova Scotia				
McNamara House, Sydney, N.S.	July 31	slight	......	torch
Jackson House, Glace Bay	Aug. 1	......	.....	spark
Bishop House, Round Hill	Aug. 2	gutted	500	unknown
New Brunswick				
Govang House, Moncton	Aug. 2	3,000	1,000	....
Steeve's Warehouse, Moncton	Aug. 2	1,000	covered	......
Edgett House, Harvey Bank	Aug. 2	complete	partly	chimney
Jones Mach. Warehouse, Chatham	Aug. 7	1,000	small	spark
National Hotel, Buchtouche	Aug. 3	30,000	partly	......
Beyea Barn, St. John	Aug. 3	12,000	.....	......
Quebec				
Lamarre Gen. Store, St. Remi	Aug. 4	60,000	partly	......
Central Hotel, St. Remi	Aug. 4	5,000	.....	unknown
Dr. Viau office and Notary Merisi office, St. Remi	Aug. 4	15,000	.....	......
Moiret House, Riviere Du Loup	Aug. 4	15,000	.....	......
McCarthy House, Quebec	Aug. 1	total	.....	unknown
Pontoon, Quebec Harbor	Aug. 5	20,000	.....	......
Can. Car office, Cote St. Paul	Aug. 3	35,000	covered	undetermin'd
Mt. Hermon Cemetery Barn, Sillery	Aug. 6	5,000	.....	unknown
Cote Warehouse, Trois Pistoles	Aug. 3	8,000	.....	explosion
Moiret House, Riviere Du Loup	Aug. 3	15,000	.....	......
Ontario				
Overland Hotel, Galt	July 31	3,000	partly	defective wire
Keays Store, house, barn, Colebrook	Aug. 4	20,000	partly	combustion
H. Ball House, Colebrook	Aug. 4	10,000	partly	combustion
Aylesworth Farm House, Napanee	Aug. 6	6,000	partly	chimney
Thorne's Barns, York Village	Aug. 6	.....	.....	combustion
Breckon's Barns, Bronte	Aug. 2	1,500	.....	......
Westlake Barn-crop, East Emily	Aug. 5	.....	.....	combustion
Payzant House, Falmouth	Aug. 2	complete	.....	......
Robshaw Plant, Dundas	Aug. 1	slight	.....	......
Meaford Shoe Co., Meaford	Aug. 6	30,000	.....	......
Reynolds Farm Bldg., Renfrew	Aug. 7	15,000	6,000	combustion
O'Brien Farm Bldg., Renfrew	Aug. 7	total	fully	unknown
Rousseau's Jewerly Store, Hamilton				
Ella Sweet Shoppe, Hamilton	Aug. 5	heavy	covered	investigating
Dawson's Store, Hamilton				
Warsaw House, Peterboro	Aug. 2	total	1,000	unknown
Gerow's Garage (contents) Belleville	Aug. 7	heavy	covered	unknown
Beisleys Store, Belleville	Aug. 7	600	covered	unknown
Buckleys Taxis, Belleville	Aug. 7	total	covered	unknown
Buckleys Building, Belleville	Aug. 7	partly	covered	unknown
Pulker Building, Belleville	Aug. 7	partly	covered	unknown
Robinson House, Southwold	Aug. 6	total	partly	lightning
Burnham Carriage Factory, Plum Hollow	Aug. 3	2,000	partly	unknown
Aylesworth Home, Deseronto	Aug. 2	4,000	partly	unknown
Manitoba				
Froome Barn, stock, crops, Castle Hill	July 31	total	partly	......
Grieve Barn, grain, Shoal Lake	Aug. 7	total	partly	lightning
Saskatchewan				
Jesses Store, Macklin	Aug. 1	5,000	partly	unknown
Paris Cafe, Janzen's Pool Room, Calhoun's Butcher Shop, Metcalfe's Butcher Shop, Dunstan's Clothing, Chinese Restaurant, Prince Albert	Aug. 1	50,000	partly	started in Paris Cafe
Alberta				
Mace Barn, Carseland	Aug. 1	total	.....	lightning
Gilbertsan Barn, crop, Hughenden	Aug. 1	total	.....	......
British Columbia				
Hanson Logging Camp, Nakusp 175,000 ft. logs	July 31	5,000	.....	cigarette
Jewell Co., Lumber Mill, St. Caithness	July 31	30,000	15,000	unknown
Preparatory School Barn, Coldstream	July 31	......	partly	electric wires

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Limestone for Farms as Production Aid

From Our Own Correspondent

SYDNEY.—Powdered limestone at $2 a ton is now being supplied to the farmers of Cape Breton from the new government pulverizing plant at Point Edward. The raw material is 250,000 tons of quarry refuse, which Besco furnishes at a nominal cost. The idea is to neutralize the marked acidity of the soil in this district, and was first mooted by Prof. M. Cumming, principal of the agricultural college, Truro. It has been demonstrated that local soil, so treated, gives the farmer from 20 to 40 per cent. higher crop returns. Fields with a normal crop of six inches of wire grass, since treatment, show clover and two-foot timothy.

What is the Real Situation in British Empire Steel

(Continued from page 1)

Steel Corporation and Nova Scotia Steel. Due to difference in fiscal years, figures are not strictly accurate. No figures published for 1921.

Steel Ingot Production
(Capacity 480,000 Tons)

	Tons
1913	420,000
1914	300,000
1915	470,000
1916	500,000
1917	500,000
1918	470,000
1919	280,000
1920	360,000
1921	......
1922	140,000
1923	300,000

See note under pig iron table.

Ore Mined at Wabana
(Capacity 5,000,000 Tons)

	Tons
1913	560,000
1914	335,000
1915	125,000
1916	225,000
1917	60,000
1918	75,000
1919	215,000
1920	260,000
1921	x 285,000
1922	790,000
1923	740,000

x—Not full year.

Coal Mined
(Capacity 7,000,000 Tons)

	Tons
1913	6,475,000
1914	6,250,000
1915	5,960,000
1917	4,885,000
1918	4,420,000
1919	4,440,000
1920	4,840,000
1921	4,400,000
1922	4,250,000
1923	5,100,000

1913 to 1920 shows combined production of Dominion Coal, Cumberland Railway and Coal, Nova Scotia Steel and Coal, and Acadia Coal.

Why Not Making Profits?

If production has held up so well, why then cannot British Empire Steel Corporation make any money? Why was it possible last year to earn only the preferred dividends, and that only after a comparatively small sum for depreciation had been written off? Why is it likely that bond interest will be just earned or perhaps not entirely earned this year?

One reason lies in foreign competition—both in steel and in coal. A large amount of European steel, and also large quantities of United States steel are coming into Canada. A large amount of American slack coal is also coming into markets that British Empire Steel would like for its own. Of course, coal pays no duty, while steel is in a more favored position than formerly, due to changes in economic conditions that have gone against Canadian producers.

The Tariff Problem

Pig iron and the primary forms of steel when imported into Canada are subject to a payment of customs duty at specific rates per ton. These rates have been established for many years, and originally bore a relation to the value of the several commodities. As iron and steel prices have risen, the specific duties have remained practically stationary, and thus the percentage or degree of protection to the Canadian industry has fallen. Strong representations have been made to the government to effect a realignment of the scale of duties, but so far without any action being taken.

Steel billets may be taken as an example. The duty on steel billets used to work out at 7.5 per cent. on British steel, and 13.4 per cent. on American steel. As steel prices have risen though, the effective value of the duty of from $1.50 to $2.50 per net ton has dropped to 5.8 and 8.2 per cent. respectively. Calculations in respect to other forms of iron and steel manufactured by British Empire Steel Corporation show similar results.

Belgian Rod Imports

Depreciated European currencies play some part in the competition that British Empire Steel is facing and that is not only reducing the possible output of the mills, but reducing very materially the profit on what is actually being produced. This is seen in wire rods. This is an important form of steel, and forms the base of the manufacture of wire and all commodities made from wire. The principal source of competition is Belgium, and, indirectly, Germany. Owing to depreciation in the currencies of these countries it is possible to obtain Belgian and German wire rods at low cost. In addition, the effect of the general tariff of $3.50 per short ton is reduced from around 15 per cent., where it was originally, to the present protection of about 8.5 per cent. The British preferential is lower—about 7 per cent. It is estimated that some 15,000 tons of wire rods have come to Canada from Belgium since the opening of navigation. This quantity of wire rods, if purchased from the British Empire Steel Corporation, would keep its rod mills running at half time for three months: in reality more, for the higher production would reduce overhead, enable lower quotations to be made and get other business that cannot now be tendered for.

Are There Other Troubles?

So competition, that is fostered by depreciated currencies, and what are in effect reduced tariffs, have added to the big steel corporation's difficulties.

The shareholders may fairly ask if these are the only reasons for Besco's apparent inability at the present time to make money. They may ask themselves, and, in fact, are asking themselves, if their concern is being administered in their best interests; if the most is being made of the situation as it stands to-day.

The charge is frequently made that the corporation is carrying a lot of deadwood; that its overhead is unreasonably high: that the salary list is padded with the names of numerous high-salaried officials, who do little more than draw their cheques. This charge has been true to quite an extensive degree, it is apparent. The fact that so many officials have "resigned" recently, and that such a wholesale slicing of salaries has taken place, seems to indicate that there has been a condition of too much overhead all along. The effect of recent cuts can hardly be exaggerated. It is estimated that the company, when it resumes operations in a few months, will have a salary list smaller than its salary list of a year ago by hundreds of thousands of dollars a year. The merging of the various companies that now comprise British Empire Steel brought about a natural excess of officers; the slaughter of the salary list had been delayed, but has come at last, whether to the degree that shareholders would like or not is difficult for anyone not on the inside to judge.

The Extensions Under Way

With the personnel being brought to a greater degree of efficiency, the question arises if similar changes can be made in plant and equipment. The corporation is effecting only minor improvements in its physical structure. Not a great deal of money has been spent on the plants since the merger. If the companies had come together on a stronger basis of financing, if enough new capital had been put into the enterprise to really bring it to the apex of efficiency, the improvements and extensions that would have been made would have amounted to many millions of dollars. At it is, only two million or so has been spent.

A new submarine colliery has been built by Dominion Coal Company—known as colliery No. 1B.

The new colliery commenced to hoist coal on 20th June of this year and is now producing over 2,000 tons daily, and will shortly attain an output of 2,500 tons daily, and is expected to exceed this materially. Very gratifying and encouraging reduction in the cost of producing coal has been obtained by the special equipment installed underground.

This colliery has workable coal lying in front of it, and under the sea estimated at 100 million tons. One coal seam is now being worked to the new shaft, but there are two other overlying seams which will eventually be developed, and a production life of 150 years at least is anticipated for this unique and remarkable mine.

The coal is brought to the shaft bottom by electric trolley-haulage through roads supported by concrete and steel, and designed to last indefinitely with a minimum of repair cost. It is believed that nowhere else has electric haulage of this type been extended under the sea.

No. 1 B colliery is the most ambitious, and at the same time the most practical, attempt as yet made to win submarine coal on a scale commensuate with the vastness of the undersea areas off the Cape Breton coast. The project, now carried to success, is a direct result of the consolidation of the coal leases of the Dominion and Scotia companies, because the leases of the companies in the area of coal that will be won from No. 1 B shaft, are so placed, and so interlaced, that independent operation would have been impractical.

Big Savings Should Result

The saving in the cost of coal production as a result of the improved methods in this shaft should total—according to a strictly unofficial estimate—around three-quarters of a million dollars a year. Further savings are anticipated through additional improvements in coal-mining methods.

At the present time a system of working is being tried that combines mechanical loading of coal at the working faces with concentration of operation, and is expected to effect economies in labor, in haulage distances, and ventilation charges, that will materially lessen production costs.

This is a typical, but not by any means an isolated, instance of the progress being made at the coal mines.

It must be remembered that when the coal properties were consolidated in 1920, output capacity had been cut in two by the disorganization of working forces, freighting fleets, and markets, which was the legacy of the war, and the run-down condition of the mines caused by demand for coal and the enforced operation of the mines with diminished man-power. The interim has been occupied with reorganizing working forces, rehabilitation of mines, and slow recovery of markets. Much has been accomplished, and there are factors in coal production that after a period of recuperation, such as is here mentioned, cause rapid recovery of production and operating costs such as is now taking place.

What About Steel Plants

These improvements, it will be noted, have taken place in the coal-mining end of Besco's business. Similar improvements have not taken place in the iron and steel industries, and the impression is general that a good deal of money must be spent to bring the steel end up to the pitch of efficiency demanded by Besco's position in the steel industry of the world. Estimates place the total of new capital expenditures required by Besco as high as $15,000,000. Where this money would be spent is perhaps beyond the scope of this article

This money could be had on terms The same interests who came within a degree of assuming control of Besco two years ago are reputed to be ready still to take over the proposition, but it is understood that the question of the price that would have to be paid for a substantial stock interest is the stumbling block. No interests are likely to take an interest in Besco for anything except motives of profit, and if an attractive picture of possible profits cannot be offered, business cannot be done. It might be worth while to trace something of the negotiations that took place in 1922 for a change of control—or what amounted to that—for Besco.

Efforts at Reorganization

Early in 1922, negotiations were opened between Roy M. Wolvin, president of the British Empire Steel Corporation, and Sir Herbert Holt, president of Montreal Power, and also of the Royal Bank of Canada, and a tentative agreement was entered into under which Sir Herbert was to become president of the Corporation. A syndicate headed by Sir Herbert Holt and J. Harry Gundy, Toronto financier, and which would include Frank P. Jones, president of the Canada Cement Company, and formerly general manager of the Dominion Iron and Steel Corporation, was to handle new financing for the corporation. Engineers looked over the properties, and everything seemed rosy for the consummation of a deal that would give Besco the money it needed, and the backing of Canada's biggest leaders of industry as well. Finally, the deal fell through. Mr. Wolvin announced that the directors of Besco had not been able to offer terms attractive enough. Just what that meant was open to question. It probably meant that the Holt-Gundy syndicate were not ready to go into the enterprise unless they could get a sufficient block of stock at prices satisfactory to them to give them some reasonable profits in exchange for the backing they would give the proposition. Mr. Wolvin, as the largest single stockholder, was not ready to sacrifice his holdings at market prices, for he felt that they were worth much more than that. And the syndicate could hardly buy up a great block of stock in the open market without causing too great an advance in the price.

Situation Likely to Drift

It would seem that much the same situation exists to-day, and until some sort of deal is arranged whereby new interests can be induced to put big amounts of capital into the enterprise in exchange for the purchase at low levels of large stock interests, the situation is likely to drift along much as it is to-day.

The question is certain to be asked here as to whether or not British Empire Steel can make good under its present management, and without the advent of new and powerful interests into its affairs. At the start it should be pointed out that it is decidedly in the interests of Mr. Wolvin and his associates to make a success of British Empire Steel, or, failing that, to hand over control of the company. Mr. Wolvin is probably the largest single individual investor in the company, and stands to benefit from everything that benefits the company. He proved himself a mergerist of extraordinary ability. Can he prove himself the executive required to make an operating success of the company?

Something About Mr. Wolvin

Mr. Wolvin is to all intents and purposes a combination chairman, president and general manager of the industrial backbone of Nova Scotia, the plants under his control comprising iron ore mines in Newfoundland coal mines, in Nova Scotia, steel-making plants, car plants, etc., in Sydney and New Glasgow, and ship-building and repairing plants in Halifax. When the British Empire Steel Corporation merger was formed Nova Scotia put all her industrial eggs in one basket, and at the moment Mr. Wolvin is carrying that basket.

Mr. Wolvin was only 42 when he became head of Canada's largest industrial corporation. He had had a varied and somewhat interesting experience. He was sixteen when he entered business, and at 22 became general manager of a company at Duluth, Minn., building steel lake freighters. In time he added to his duties the operation of a lake steam-ship line, and became an executive in a company operating steamships on the gulf of Mexico. He also became interested in shipbuilding, dredging and blast furnace operations in Minnesota.

In January, 1910, Wolvin came to Canada to engage in lake shipping in its various branches, and helped to consolidate a number of lines into Canada Steamships Lines. He became interested in the Collingwood Shipbuilding Company, and organized the Halifax shipyards.

In March, 1920, he became president of Dominion Steel, and began at once to work out the merger of this company with the Nova Scotia Steel and the Halifax Shipyards in the British Empire Steel Corporation.

Mr. Wolvin is one of the largest shareholders—probably the largest—in Besco. He works hard, it is universally admitted, and carries a heavy burden of responsibility. One reason is that it has been found difficult to get a big calibre steel executive to live in Sydney as general manager of Besco.

Big Men Will Not Come

Large salaries have been offered to at least four of the best steel men in America to come to Sydney to take over the operation of the plant. All have declined the proposition. They can make equally large salaries at home and live more comfortably.

The next best thing has been done. An excellent steel man has been obtained and put in charge of steel operations. J. E. McLurg, formerly general manager of the Halifax Shipyards, has been appointed vice-president in charge of operations, and is stated to be doing good work in his new post.

It is still felt, though, that British Empire Steel lacks the broad calibred executive needed at the helm of Canada's largest industrial corporation—the man, to be brief, of the type and stature of Sir Herbert Holt.

Even if such a change came it is to be doubted if the prospect for early dividends would be greatly enhanced. The fact of the matter is that Besco's annual depreciation charges have not been what might have been expected. When Besco took over the various plants that it now operates, they had all been depreciated to a great extent, and it was felt that reasonable annual depreciation would be sufficient. Last year only $1,200,000 was written off, which seems ridiculously small for a concern the size of Besco. In times of prosperity much more would be written off. In fact, the first good year Besco has will probably see a big chunk of profits charged up to this item.

What are the Plants Worth?

The value of the plants is a difficult matter to determine. It would be possible to get a careful independent appraisal that would evaluate the plants—as going propositions—at four times their present book value according to one estimate. But an industrial plant is only worth in the ultimate analysis what it can be sold for, or what it is worth as a money-earner. With no one ready to buy Besco, and with the plants unable to earn substantial amounts, their value is difficult to determine. So one cannot say whether they are carried on the books as at inflated values or not.

In view of this fact, the current gossip that the second preferred isn't worth a tinker's cuss, or is worth $180 a share, (depending on which side of the Besco fence the estimator is standing) are all rather haphazard conclusions. The actual investment in Besco represents a much greater amount than the outstanding market value of the securities. If there ever were deflated stocks they are the Besco shares. The holdings of British Empire Steel Corporation in Halifax Shipyards are at the present time worth more than the entire market value of the outstanding first preferred shares of the British Empire Steel. And two comparatively recent sales of common shares of constituent companies put more into the treasuries than the present market value of the second preferred. The present market value of British Empire Steel shares represents only about a fifth of the market value of the comparative securities before the merger.

One recent commentator remarked that "aside from its possible earnings as an industrial corporation its potentialities as a miner and producer of iron ore and coal makes its shares look more attractive than the great majority of mining shares offered the public."

The Strong and Weak Points

This view indicates that Besco is not without attractions. The strong points of the various securities are:

1. Immense reserves of iron ore and coal.
2. Tidewater location.
3. Immense and varied plants.
4. Property investment many times current market value of shares.
5. Possibility of improved earnings through better conditions in Europe and revival of business in Canada.

Their weaknesses may be summed up:

1. Lack of public confidence in company and present management.
2. Lack of broad-calibred executive control by experienced steel and coal men.
3. Unsatisfactory record of earnings since merger.
4. Unwillingness of interests now in control to sacrifice their holdings for the general good.
5. Need for much new money for extensions and for working capital.
6. Strained relations between labor and company, and between the people of Nova Scotia and the company.
7. Unsatisfactory tariffs.

That is the situation that investors have to consider when they consider their position in relation to the British Empire Steel Corporation.

Appended is a brief resume of Besco's history since the merger:

Brief History of Besco.

April, 1921.—Merger of Nova Scotia Steel and Coal; Dominion Steel Corporation and Halifax Shipyards under name of British Empire Steel Corporation commences operation.

June, 1922.—Negotiations with Sir Herbert S. Holt to become head of corporation. J. H. Gundy, Toronto financier, and Frank P. Jones interested in negotiations. After some months of negotiations, deal falls through.

August, 1922.—Miners on strike.

December, 1922.—Besco borrows $4,645,000 through sale of Dominion Iron and Steel bonds.

Besco sells iron ore to Germany.

February, 1923.—Steel workers strike.

June, 1923.—Steel workers strike.

September, 1923.—D. H. McDougall, vice-president, resigns.

December, 1923.—J. E. McLurg becomes vice-president in charge of operations.

February, 1924.—Miners strike.

April, 1924.—All preferred dividends passed.

August, 1924.—Plants shut down for 90 days for want of orders.

ASBESTOS MINES HAVE YEARS AHEAD

Long Life Anticipated for the Companies in Quebec Province

From Our Own Correspondent.

MONTREAL.—Investors in the asbestos companies ask themselves at times how long their mines are good for. This is, of course, an important question to the man who is anxious to know whether he has a short or a permanent investment in his asbestos shares.

There exists no direct statement as to the depth to which the deposits may be expected to continue. On the other hand, J. A. Dresser, in his "Preliminary Report on the Serpentine and Associated Rocks of Southern Quebec" (published 1913), states: "The assurance of large reserves which all of the principal mines have, has led to most of them being well equipped," and the same author, after stating his conception of the mode of formation of the deposits, writes: "Two practical deductions arise from these theoretical conclusions: (1) The structure and mode of origin of the deposits indicate that they may extend to a depth that is even greater than the limits of profitable mining."

There is no reason to believe that developments made public since 1913, in any way qualify the above statements. Some of the companies have made rather extensive studies of their properties, but have closely guarded their information.

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CANADA NEGLECTS A BIG MARKET IN SOUTH AMERICA

Manufacturers' Agent in Colombia Tells of Possibilities

DIRECT LINE NEEDED

Urging on the Government the Importance of Extending Service From Jamaica and Appointing Trade Agent

That Canadian manufacturers are failing to secure a substantial share in the trade of Colombia, Venezuela and neighboring countries because of lack of steamship connection and failure of the department to provide effective leadership in educating the people about Canadian products is the firm conviction of Edward C. Austin, manufacturers' representative in Colombia, Venezuela, Panama and Costa Rica, located at Barranquilla, Colombia, who is at present in Canada calling on the companies he represents and endeavoring to encourage a more aggressive policy on the part of the government and exporters. Canada's Merchant Marine has established a service as far south as Jamaica and Mr. Austin believes that it can and should be extended to South American countries with advantage in new trade. He emphasizes the fact that in five years he has had but one call from a Canadian government trade representative, and not a single call from anyone else interested in developing Canadian business, as evidence of the fact that the field is being neglected both by the Department of Trade and the Canadian manufacturers.

North of the equator and within the scope of Canada's export trade possibilities, there are twelve Spanish speaking countries which have total combined populations of about 35,000,000 and in only one of these, Mexico, has Canada a resident, official trade representative. Canada, Mr. Austin urges, should make herself better known in all of the twenty Latin-American countries—twelve north and eight south of the equator. He suggests a tour of investigation and inquiry of a commission representing the Canadian government, Canadian Manufacturers' Association and Boards of Trade, particularly in those countries on the north and west coasts of South America where as yet practically no visits have been made by Canadian trade representatives. This commission could accomplish good, he believes, if it went supplied with literature in Spanish, descriptive of Canada's resources and industries, and with such motion picture films as the government has at its disposal, arrangements being made before-hand for meetings with chambers of commerce and government trade departments. Also there are exhibitions in various parts of the country at which Canadian products could be effectively displayed.

A Demand for Our Goods

Referring to Colombia as typical of the South American countries being neglected by Canada in developing export trade, Mr. Austin gives developments in which Canadian manufacturers should be interested:

Recent important events in Colombia have been the establishment of the "Banco de la Republica" on the plan of the Federal Banking system of the United States. This means the unification of the Colombian currency whose unit is the "peso" having a par value of 97.6 in relation to U. S. gold. Recently the "peso" has been slightly above par at around 99 cents. Considerable restriction of credits has followed the establishment of the new National Bank, but the situation has been somewhat relieved by reduction of the interest rate on loans from 12 per cent. to 10 per cent.

An ultimately beneficial change has recently been effected in the customs administration by abolishment of the system of "fianza" or bond formerly given by importers to guarantee payment of customs duties, and which frequently resulted in the evasion or nonpayment of these. Since April 1, 1924, customs duties are required to be paid in cash before delivery of imported goods can be obtained.

Railway construction is proceeding actively in the extension of comparatively short lines to form trunk systems and the termination of lines begun before the war period but not completed. The principal line destined to connect the capital, Begota, with the Pacific coast at the port of Buenaventura finds its main obstacle in the Andean mountain range requiring to be tunneled or crossed in zig-zag fashion.

The prospect of a direct line from Bogota to the Atlantic coast is still rather remote, but a great part of the distance will in due course be transitable by railway and the remainder by steamer on the lower reaches of the Magdalena river.

The development of Colombian national industries is making good progress and last year for the first time a National Exhibition was held in Bogota, the exhibits including the following material: Cotton and woollen textiles, saddlery, boots and shoes and a great variety of other leather articles, cement tiles and other material clay products, glassware, biscuits, chocolate and confectionery, aerated waters, soap, candles, sandals, sacks, and many articles of native jute and fibres, furniture from native woods, etc., etc.

Industrial plants mean increased demand for machinery, introduction of this being facilitated by a general duty of not more than one or two cents per kilogram.

Modern agricultural implements are gradually coming into more general use, the main machinery requirements being for sugar and coffee plantations.

Mining is an important branch of Colombian industry and for this also machinery is required. The chief mineral production is gold. Silver, copper and tin are found but not as largely worked as in other Latin American countries.

The cattle industry is an important factor in the country's development. Recently there has been established a large packing plant at the Atlantic coast near Cartagena.

The development of the oil industry is not quite as far advanced as in Venezuela, but is being actively undertaken. Production at present is mainly from the wells of the Tropical Oil Co. at Barrancabermeja, about 400 miles up the Magdalena river. The operation is that of the Imperial Oil Co., Toronto, and Canada has, therefore, come to the front in Colombia in respect of these operations.

The Andean National Corporation, affiliated with the Tropical Oil Co., controlled by the Imperial Oil Co. of Canada, has obtained rights over wharves at the ports of Cartagena, and recently has obtained authorization from Congress at Bogota to build a pipe line from Barrancabermeja to the coast.

Need Direct Service

It has been Mr. Austin's experience that Colombian and Venezuelan importers have good reason to be afraid to make quotations on Canadian merchandise, f.o.b. New York, with the heavy forwarding charges involved and ocean freights payable in U. S. currency. They are keen on establishing commercial relations with Canada and will show their appreciation of direct transportation by largely increased orders. This would also make possible c. i. f. quotations which are especially desired in facilitating the calculation of laid down costs..

The lines of goods which Canada can supply are mainly those of foodstuffs, particularly wheat, flour, biscuits and canned goods; agricultural implements; iron and steel products and general machinery; paper of all kinds; hardware and tools, cement, paints and varnishes, brushes and brooms; motor and other vehicles and accessories; drugs and chemicals. Mr. Austin gives the following particulars regarding foodstuffs imported into Colombia with the duty which must be paid:

The largest imports of foodstuffs and customs duties payable on them in Colombia are:

Lard paying ten cents per kilogram.

Rice paying two cents per kilogram.

Wheat paying three cents per kilogram.

Malted barley for making beer, paying 2c. per kilogram.

Wheat flour, paying eight cents per kilogram.

Condensed milk, paying five cents per kilogram.

Butter, paying twenty cents per kilogram.

Cheese, paying twenty cents per kilogram.

Biscuits, paying seventeen cents per kilogram.

Canned fruits, jams, jellies, marmalades, paying seventeen cents per kilogram.

Salmon, sardines, tomato catsup and all sauces, paying seventeen cents per kilogram.

Canned vegetables, paying ten cents per kilogram.

Hams, sausages, paying seventeen cents per kilogram.

Bacon, paying twenty cents per kilogram.

Quaker Oats, paying seven cents per kilogram.

Candies, chocolates, etc., paying twenty cents per kilogram.

Tea, paying sixty cents per kilogram.

Potatoes, paying three cents per kilogram.

A kilogram equals roughly two pounds (2 lbs.); customs duties are payable on gross weights of merchandise, including packing or containers, and to the above tariffs there is at present added 2 per cent. for conversion fund, 5 per cent. for roads, and, since April, 1923, a general surcharge of 10 per cent.

The program of road-making and railroad building which is now being embarked upon should create a market for machinery, rails and other steel products, orders for which would be welcomed by Canadian manufacturers.

CARVELL'S PLACE HARD ONE TO FILL

Death Comes at Time When a Strong, Capable Head for Commission is Needed

From Our Own Correspondent.

OTTAWA.—The death of Hon. F. B. Carvell, chairman of the railway commission, came with such startling suddenness, and on the eve of one of the most important cases that the commission has heard for some time, that it has badly disarranged matters. As the chairman must be a member of the legal profession, which is an assurance that he will know the law, it is considered probable that the post will go to someone other than a member of the commission at present. At the same time, Dr. S. J. McLean must be considered in the running.

The salary, $12,500 a year, is not such as would attract the average lawyer of high standing; but it is probable that it might appeal to some of the members of the bench. Indeed, it is from the latter that the government has gone for its chairman as much as to any quarter. Of the five chairmen, two, Messrs. Killam and Mabee, were judges. It is considered that a judge has special qualifications for the chairmanship, in that he is used to presiding, and the experience there gained is of great value in deciding questions as to the admittance of evidence.

Another vacancy coming in October is that occasioned through the retirement of Hon. Mr. Nantel, whose term will then have expired. The Maritime provinces are keen for representation, and their demands may result in the chairmanship being selected from down by the sea. British Columbia is also eager to have a member, and it is quite possible that its desires may be acceded to.

The Grain Movement

OTTAWA.—Preliminary figures showing receipts at the head of the lakes, also Vancouver, B.C., for the period from September 1, 1923, to August 1, 1924.

Wheat	295,227,439	51,993,265
Oats	57,350,995	870,970
Barley	15,644,895	69,815
Flax	4,613,293	....
Rye	6,601,488	333,644
Totals	379,438,110	53,267,694
Same per. 1923	298,782,077	17,166,893
Increase over last year ..	80,656,033	36,100,801

GROWING DEMAND FOR OUR WHEAT FROM EUROPEANS

Recent Rains Are Valuable But Only Normal Crop Expected

The North American crop situation at the end of July indicated a state of affairs much less favorable to Canada than that of a month previous. A month ago prospects in the United States pointed to a reduction of 93,000,000 bushels from last year's wheat yield while the outlook in Canada was favorable. At the end of July crop conditions south of the border had improved and the indicated reduction from last year's crop was only 46,000,000. In Canada the first government estimate of 318,000,000 bushels had to be lowered to 282,042,000 which is 40 per cent. below last year's yield. There is a general feeling in the West that the figure will be in the neighborhood of 300,000,000. Conditions in other wheat growing countries are rather unfavorable. According to the present estimate, countries which last year produced about 50 per cent. of the world output, Russia excepted, will produce 1,555,000,000 bushels as against 1,671,000,000 last year. Again excluding Russia, the wheat yield of the world will be 10 per cent. smaller than that of last year, judging from the present outlook.

As a consequence of this shortage of supplies abroad, a grain expert has estimated that foreign buyers will take 10,000,000 a week for the greater part of the season. The United States now has an available surplus of 268,000,000 bringing her total supply for the season to 918,000,000 bushels. According to present indications the Canadian export surplus will not be much more than 175,000,000 bushels against a surplus of 319,000,000 bushels last year. The present outlook, therefore, is for a well sustained and increasing demand from Europe.

Detailed Crop Report

The state of the wheat crop in the province of Manitoba is decidedly better than in either of the other two prairie provinces. During the last week in July and the first few days of August general rains provided sufficient moisture to carry the crops to maturity. There are only slight indications of rust, and the very mild touch of frost this week caused no damage. The present outlook is for a yield of something in the neighborhood of 35,000,000 bushels as against 32,000,000 last year.

Relative to conditions in the province of Saskatchewan, the following review, dated August 11, has just been received from the Government Department of Statistics at Regina:

"The long drought was broken by good rains which were pretty general all over the province during the last week of July and the first week of August. Telegraphic reports received by the Department of Agriculture are more optimistic than previous ones. Districts where the prospects were very poor have recovered to a remarkable degree. Summerfallow crops promise a reasonable yield but stubble crops in some districts have suffered severely from hot winds and drought, and are beyond recovery. In many sections, however, where little or no yield was anticipated, feed will be produced. The crops have been remarkably free from insect pests and plant diseases. In some districts there are slight indications of rust, but not sufficient to cause any anxiety. Hail has damaged crops in several districts especially in the south. A few points reported frost on the 8th, but no material damage resulted. Harvesting will be late. There will be some cutting done during the week of the 18th but it will not be general until the last week of August."

Western Outlook Better; Ontario Harvest Delayed

MONTREAL.—The Bank of Montreal weekly crop summary says that Western crop conditions have been improved by recent rains. Wheat filling well. Dry warm weather required for ripening. Cutting under way in Southern Alberta, and should begin in Manitoba next week; Saskatchewan about 25th.

Heavy rains have retarded Ontario harvesting the past week; dry weather needed. Fall wheat cutting practically completed; threshing commenced.

Daily showers and fine weather are benefiting Quebec crops. Present outlook promising.

Recent rains improved Maritime crop conditions.

Weather dry and hot in British Columbia, Okanagan fruit crop fully ten days earlier than usual.

Guaranteed Investments Are Materially Higher

Trust deposits of guaranteed funds on hands of trust companies were about the same at the end of the half year as at the end of the first quarter, but $1,500,000 higher than a year ago. The same applies to the total of guaranteed funds. The figures follow:

	Deposits	Total Funds
1st qr. 1924	10,507,993	44,368,227
½ yr. 1924	10,506,636	44,163,002
½ yr. 1923	9,089,653	38,296,325

Securities allocated for guaranteed investments amount to $44,274,718 as against $38,313,994 a year ago.

Wheat Pool Members Now Want Elevators

CALGARY.—Some Alberta wheat pool members are dissatisfied because the pool's officials are not providing elevators. They want some portion of the receipts placed aside to form a nucleus for such a fund. H. W. Wood, chairman of the board of trustees, said that it had been the desire of the board to make as good a showing as possible in the marketing in order to increase the membership of the pool.

ARGUMENTS FOR PLACING LOAN IN DOMESTIC FIELD

(Continued from page 12)

of liquid capital in Canada to develop our natural resources, open our mines, promote industrial enterprises, harness our water powers and expand the present productive economic machinery. Every cent of our savings and large amounts of foreign capital will be needed.

If it were the inevitable result that the sale of the bonds in the United States would assist in this process, the increase in developed wealth and income would more than justify the action.

It is by no means certain, however, that this would occur exactly in the way anticipated by the opponents of internal flotation. The 1924 bonds are now held largely by financial and industrial corporations, trustees, and individuals, who purchased them in a period of patriotic exaltation. Certainly a large proportion of these holders would reinvest in Dominion, provincial or municipal bonds whether the loan comes from Canada or the United States. Nor is the interest rate sufficiently high in any case to attract those who seek the larger returns of industrial investments. To them it is a matter of no import where the loan is floated.

The proportion of present holders who will redeem their bonds to indulge in necessary or luxurious expenditures will not in any case be large enough to suggest the advisability of floating the loan in the United States as a stimulus to Canadian business. In other words, it does not seem evident that, merely because cold cash from the United States is handed to Canadians for their bonds, there will be any change in their intentions to reinvest the proceeds in gilt-edge securities, or to spend their money as they see fit.

The unsoundness of the objections raised to internal flotation are supplemented, too, by the economic consequences. With foreign credit balances piling up as a result of our export trade, every effort should now be made to reduce as far as possible our foreign government indebtedness. The payments of principal and interest for these economically unproductive obligations is a constant levy upon the productive capacity of the Canadian people and reduces annually by a very large amount the net balance of trade.

Interest Goes Abroad

To bring in over $100,000,000 of foreign capital with interest payable at the rate of four and a half or five millions of dollars a year for probably twenty years will mean the eventual repayment of twice or nearly twice what we have borrowed.

Surely this is short-sighted policy at a time when it is desirable to retain our liquid capital as much as possible. Whether the loan is floated in Canada or elsewhere, Canadians must eventually pay the principal and interest from their own production. That it is economical to pay it to themselves rather than to enrich other pockets is an economic platitude.

The negligible premium now existing on American funds is certainly not a compensating advantage for the aggravating influence the payment of interest will have on exchange rates during the term of the loan. To increase the demand for foreign money is not the way to place Canada on a gold basis.

The improbability of a foreign loan redirecting Canadian expenditure and investment into productive channels, the levy of principal and interest, which is the savings of Canadians, for foreign export, and the tendency to retard the resumption of special payments, therefore, seem to outweigh the financial advantages of a ready market, attractive price and exchange premium offered by the United States.

SUFFICIENT RAIN HAS NOW FALLEN THROUGHOUT WEST

(Continued from page 1)

After leaving the sections that had suffered so much from drouth, the writer proceeded south from Gull Lake on the main line of the Canadian Pacific to this, the Weyburn-Lethbridge line. This line has possibly the largest acreage in wheat of any line in the west. Towns are only from six to eight miles apart, and from Shaunavon to Assiniboia, a distance of 120 miles, there are from five to seven elevators at every station. As the average capacity of a line elevator is from 30,000 to 35,000 bushels, it gives an idea of the provision thought necessary to handle the yield. The crops of wheat on this 120 miles are practically all good. There has been some slight hail damage, but it is small in comparison to the whole, and the wheat crops are quite as good as those of 1923, when 30 and 35 bushel crops were common, and 40 and 45 bushel crops no great exception. The only difference is that the crop this year is about two weeks later than the average, and this makes farmers apprehensive of frost. The danger point, however, is always considered about the August full moon, which is August 14, and, with the weather now exceptionally warm and fine, it would seem that frost danger is remote. There is a general belief founded on a good deal of experience that if we escape frost at the August full moon there is a good probability of there being no killing frost until the September full moon. This was the case in 1915 and 1923, and made the difference between the average and bumper crops by permitting all the late grain to ripen. On this line, oats are an excellent crop, though wheat is by far the predominating one.

The whole West has now had sufficient rain to finish the crops and from Sunday up to to-day the weather has been very warm and bright, with light winds—in fact, ideal weather for filling and ripening.

There has been no further serious development of the rust in Manitoba, according to Premier Bracken, who has just returned from an extended trip. The Premier, before he took to politics, was an agranomist of international repute.

New Presidents for Two Canadian Banks

Two of Canada's chartered banks, the Dominion and the Standard, have new presidents as the result of appointments made this week. In the case of the Dominion, Sir Augustus Nanton fills the vacancy caused by the death of Sir Edmund Osler, while Arthur F. White succeeds the late Wellington Francis as president of the Standard.

The new president of the Dominion Bank was for many years an associate in the financial world of the late Sir Edmund Osler, being a member of the investment firm of Osler, Hammond and Nanton, in Winnipeg. Sir Augustus was born in Toronto in 1860 and entered the service of Osler and Hammond when a boy, being made junior partner at the age of 24, at which time he was sent west to open a branch office at Winnipeg. Since then he has played a very prominent part in the development of Western Canada.

Arthur F. White, the new head of the Standard Bank, is a director and executive officer of the Dominion Securities Corporation, having been connected with that financial house since 1911, prior to which he was with the bank. He was first elected to the board early in 1923 and was made vice-president within a few months.

THE FINANCIAL POST is having prepared extended sketches of the careers of these two new bank presidents and these will appear later.

TENDERS FOR BONDS

City of Sydney, Nova Scotia

SEALED TENDERS will be received by the undersigned up to noon, August 30th, 1924, for the purchase of $262,000 City of Sydney Bonds covering services as follows:—

Water System and Service........................	$135,000
Streets, Curbs and Bridges........................	97,000
Fire Apparatus	10,000
Audit City's Accounts	20,000
	$262,000

Bonds aggregating $242,000 carry 5½% Interest, term thirty years, dating August 1st, 1924. Sinking Fund 2%, Coupons half yearly. Funds Canadian, Bonds and Coupons par at Halifax and Sydney, and the balance $20,000 Bonds covers Audit of City's Accounts with particulars, term twenty years, dating August 1st, 1924. Interest 5½%, Sinking Fund 5%, Coupons half yearly, Canadian Funds, par at Halifax and Sydney. Bankers, The Royal Bank of Canada.

Highest or any tender not necessarily accepted. For further particulars apply to, D. J. O'CONNELL, City Treasurer, City Hall, Sydney, N.S.

Township of Bosanquet

TENDERS WANTED

TENDERS will be received by the undersigned up to Monday, August 25th, at 2 p.m., for the sale of $21,000, 10-year debentures for the construction of a bridge. Debentures have coupons attached for interest at 6 per cent. Send tenders to D. F. McIntyre, Reeve, Forest P.O., R.R. No. 2, or to the undersigned.

GEO. SUTHERLAND,
Clerk,
Thedford, Ont.

Tenders for Bonds

SEALED tenders will be received at the office of the undersigned, in the City of Fredericton, N.B., up to the 29th instant, at noon, for One Hundred and Fifty Thousand Dollars ($150,000) of debentures of the Board of School Trustees of Fredericton, debentures to be in serial form, for Five Hundred Dollars ($500) each, dated September 1st, 1924; interest five and one-half per cent. per annum, payable half yearly. Further information will be supplied upon request.

R. D. HANSON,
Secretary of Board of School
Trustees of Fredericton, N.B.

Fredericton, N.B.,
August 8th, 1924.

Lake of the Woods Milling Company Limited

DIVIDEND NOTICES

NOTICE IS HEREBY GIVEN that a Dividend of 1¾ per cent. on the Preferred Stock of LAKE OF THE WOODS MILLING COMPANY, LIMITED, for the three months ending August 31st, 1924, has been declared payable on Monday, September 1st, 1924, to Shareholders of record at the close of business on Saturday, August 23rd, 1924.

By Order of the Board,
M. H. HUTCHISON,
Assistant-Secretary.

NOTICE IS HEREBY GIVEN that a Dividend of 3 per cent. on the Common Stock of LAKE OF THE WOODS MILLING COMPANY, LIMITED, for the three months ending August 31st, 1924, has been declared payable on Monday, September 1st, 1924, to Shareholders of record at the close of business on Saturday, August 23rd, 1924.

By Order of the Board,
M. H. HUTCHISON,
Assistant-Secretary.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent., upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after Tuesday, the SECOND day of SEPTEMBER next, to Shareholders of record of 31st July, 1924.

By order of the Board.
FREDERICK WILLIAMS-TAYLOR,
General Manager.

Town of Hawkesbury Bonds

Sealed tenders will be received until 7 p.m., August 27th, 1924, for the purchase of $18,561.78 of 20 yearly 6% installment consolidated redemption bonds. The right is reserved to accept or reject any or none of the tenders.

J. O. BERTRAND,
Clerk-Treasurer.

IMPERIAL OIL, Limited

DIVIDEND

NOTICE IS HEREBY GIVEN that a dividend of seventy-five cents (75c) per share has been declared by the Directors of Imperial Oil, Limited, and that the same will be payable in respect of shares specified in any Share Warrant of the Company within three days after the Coupon Serial Number Twenty-One of such Share Warrant has been presented and delivered to:

The Royal Bank of Canada,
Toronto, Ontario,

or at the office of:

Imperial Oil, Limited,
56 Church Street,
Toronto, Ontario,

such presentation and delivery to be made on and after the 2nd day of September, 1924.

Payment to Shareholders of record and fully paid up at the close of business on the 15th day of August (and whose shares are represented by Share Certificates), will be made on or after the 2nd day of September, 1924.

The Books of the Company for the transfer of shares will be closed from the close of business on the 15th day of August to the close of business on the 30th day of August, 1924.

By Order of the Board.
E. V. A. KENNEDY,
Secretary.

The Royal Bank of Canada

DIVIDEND No. 148

NOTICE IS HEREBY GIVEN that a dividend of three per cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Tuesday the second day of September next, to shareholders of record at the close of business on the 15th day of August.

By order of the Board.
C. E. NEILL,
General Manager.
Montreal, Que., July 15, 1924.

THE CANADIAN BANK OF COMMERCE

Dividend No. 150

NOTICE IS HEREBY GIVEN that a dividend of three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 31st August, 1924, payable at the Bank and its Branches, on and after Tuesday, 2nd September next, to shareholders of record at the close of business on the 16th day of August, 1924.

By Order of the Board.
JOHN AIRD,
General Manager.
Toronto, 18th July, 1924.

Canadian Pacific Railway Company

DIVIDEND NOTICE

AT a Meeting of the Board of Directors held to-day the following dividends were declared:

On the Preference Stock, two per cent. for the half year ended 30th June last;

On the Common Stock, two and one-half per cent. for the quarter ended 30th June last, from Railway Revenues and Special Income;

Both dividends are payable 1st October next to Stockholders of record at three p.m. on 2nd September next.

By order of the Board,
ERNEST ALEXANDER,
Secretary.
Montreal, 11th August, 1924.

The Canada Landed and National Investment Company, Limited.

DIVIDEND No. 150

NOTICE IS HEREBY GIVEN that a DIVIDEND OF TWO AND ONE-HALF PER CENT. (being at the rate of ten per cent. per annum) on the amount paid up on the Capital Stock of this Company, has been declared for the quarter-year to the thirtieth day of September, 1924, and that the same will be payable at the office of the Company, 23 Toronto Street, Toronto, on and after the 1st day of October, 1924, to Shareholders of record at the close of business on the 15th day of September, 1924.

By Order of the Board,
EDWARD SAUNDERS,
Managing Director.
Toronto, August 13th, 1924.